

to-be Governor of New Jersey has in the legislation now pending, I do not believe he himself would approve of a day's delay in its enactment by adjournment or recess in order to attend his inauguration.

Mr. CONNALLY. Mr. President—

Mr. BARKLEY. I yield to the Senator from Texas.

Mr. CONNALLY. I wish to say, speaking for a large number of Senators, that in case the Senator from Kentucky would agree to Senators attending the inauguration of Senator MOORE, we will undertake to see that no lynching takes place. [Laughter.]

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. BROWN of Michigan in the chair), as in executive session, laid before the Senate a message from the President of the United States submitting the nomination of Miss Gay B. Shepperson, of Georgia, to be State administrator in the Works Progress Administration for Georgia, which was referred to the Committee on Appropriations.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 8 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, January 18, 1938, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate on January 17 (legislative day of January 5), 1938

WORKS PROGRESS ADMINISTRATION

Miss Gay B. Shepperson, of Georgia, to be State administrator in the Works Progress Administration for Georgia.

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 17, 1938

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O magnify the Lord; let us exalt His name together, for He is good and His mercy endureth forever.

O God, hide not Thyself from our supplication. Our Father, the inspiration of every good and great thought, empty us, we pray Thee, of all selfish and ignoble desires that we may discharge our manifold duties in Thy sight. Let Thy fatherly goodness be extended toward all the loved ones of this House. Those from whom we are separated, may they be kept from harm and danger. The Lord God graciously bless our President. Guide him in the Nation's affairs; prosper all measures for universal peace; may we have the broadest conception of right, truth, and justice. Bless the world's children and all righteous workers. Almighty God, may nations and races stop yielding to fear and prejudice and be devoted to Christian brotherhood. In the name of our Savior. Amen.

The Journal of the proceedings of Saturday, January 15, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On January 10, 1938:

H. R. 5768. An act for the relief of Mary Louise Chambers, a minor.

On January 12, 1938:

H. R. 4569. An act for the relief of Isador Katz;

H. R. 5639. An act for the relief of Henrietta Wills;

H. R. 5912. An act for the relief of Judd & Detweiler, Inc.; and

H. R. 5989. An act for the relief of J. L. Myers.

On January 13, 1938:

H. R. 4256. An act conferring jurisdiction on the United States District Court for the Northern District of California to hear, determine, and render judgment upon the suit in equity of Theodore Fieldbrave against the United States.

On January 14, 1938:

H. R. 6628. An act to permit the further extension of the Air Mail Service.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees, with an amendment, to the amendment of the House to a bill of the Senate of the following title:

S. 2463. An act to authorize an additional number of medical and dental officers for the Army.

MINNIE WILHELMY

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts and ask its immediate consideration.

The Clerk read as follows:

House Resolution 401

Resolved, That there shall be paid out of the contingent fund of the House to J. William Lee's Sons, Inc., undertakers, Washington, D. C., an amount not to exceed \$250, to defray funeral expenses of Minnie Wilhelmy, deceased, late an employee of the House.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a radio address by me.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a speech delivered by Hon. Herbert Hoover on his peace program and also a telegram I sent to him.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ORDER OF BUSINESS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that I may address the House for 1 minute in order that I may ask the majority leader a question.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. Mr. Speaker, this is more in the form of a suggestion than a question.

May I suggest to the majority leader that the RECORD contains an announcement every day of the hearings that are to be held by committees. Therefore, I believe it would expedite business on Calendar Wednesday if the majority leader could arrange with the chairmen of the committees which are to be called that they place in the RECORD on Tuesday a list of the measures which may be considered on Wednesday when their committees are reached. At the present time we have no idea what bills any committee is going to call up on Calendar Wednesday. At times when we are interested in bills which are called, if we do not have our papers before us, naturally, someone will make a point of order of no quorum, which delays proceedings nearly an hour. I offer the suggestion to the majority leader and hope he can get such information published in the RECORD on Tuesday, because, in all fairness to the Members of the House, we should know in advance what is coming up.

Mr. RAYBURN. Mr. Speaker, I may say in reply to the gentleman from Missouri that one of the most difficult things I have attempted within the last 12 months is to find out

long enough in advance so an announcement may be made of it what bill a committee intends to call up on Calendar Wednesday. I believe the gentleman's suggestion is fine, and I trust the chairmen of the committees which are going to be called will in the future comply with the suggestion of the gentleman from Missouri.

Mr. MARTIN of Massachusetts. Mr. Speaker, if the gentleman will yield, can the majority leader tell us what committee has the call on Wednesday?

Mr. RAYBURN. I believe the first committee called will be the Committee on Military Affairs. I have not been informed what bills the committee expects to call up, but I will try to find out.

Mr. MARTIN of Massachusetts. That committee will probably take all day, anyway.

CONSENT CALENDAR

The SPEAKER. Under the rules, today is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

AIR-MAIL LAWS

The Clerk called the first bill on the Consent Calendar, H. R. 4732, to revise the air-mail laws.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to revise air-mail laws, and to establish a commission to make a report to the Congress recommending an aviation policy," approved June 12, 1934, as amended (48 Stat. 933), is amended as follows:

Subsection (b) of section 2 of such act is amended by the addition thereto of the following paragraph:

"The term 'nonmail schedule' means one for which compensation at mileage rates is not authorized by the Post Office Department."

Sec. 2. Subsection (a) of section 3 of such act as amended by the act of August 14, 1935 (Public, No. 270), is amended by the addition of the following proviso: "Provided further, That notwithstanding any other provision of law, the rate of compensation bid by the contractor and accepted by the Postmaster General shall remain in full force and effect for the entire term of the initial period of the contract."

Sec. 3. Amend subsection (c) of section 3 of such act, as amended, so as to read as follows:

"(c) If, in the opinion of the Postmaster General, the public interest requires it, he may grant extensions of any route from either terminus thereof: *Provided*, That the aggregate mileage of all such extensions on any route in effect at one time shall not exceed 250 miles, and that the rate of pay for such extensions shall not be in excess of the rate per mile fixed for the service thus extended."

Sec. 4. Subsection (f) of section 3 of said act is amended to read as follows:

"(f) The Postmaster General shall not award contracts for air-mail routes or extend such routes in excess of an aggregate of 35,000 miles, and shall not pay for air-mail transportation on such routes and extensions in excess of an annual aggregate of 50,000,000 airplane-miles. Subject to the foregoing, the Postmaster General shall prescribe the number and frequency of schedules, intermediate regular stops, and time of departure of all planes carrying air mail, with due regard for the volume of mail carried over each route and for connecting schedules, and he may, under such regulations as he may prescribe, authorize and, notwithstanding any other provisions of this act, compensate for a special schedule or an extra or emergency trip in addition to any regular schedule over air-mail routes or portions thereof at the same mileage rate paid for regular schedules on the contract route or routes, or at a lesser rate if agreed to by the contractor and the Postmaster General, and he may utilize therefor any scheduled passenger or express flight of the contractor between the terminal points or over a portion of any route whenever the needs of the service may so require: *Provided*, That the Postmaster General may, upon application by an air-mail contractor, authorize said contractor for his own convenience to transport air mail on any nonmail schedule or plane, with the understanding that the weights of mail so transported will be credited to regular mail schedules and no mileage compensation will be claimed therefor and the miles flown in such cases will not be computed in the annual aggregate of flown mileage authorized under this section."

Sec. 5. Subsection (b) of section 6 of such act, as amended by the act of August 14, 1935, is further amended by adding a final sentence to read as follows: "The Interstate Commerce Commission shall furnish to the Postmaster General a copy of each report made to the Commission by any auditor, examiner, or employee covering any examination of books, records, accounts, contracts, and business records of air-mail contractors referred to in this section."

Sec. 6. Subsection (c) of section 6 of such act is amended to read as follows:

"In fixing and determining the fair and reasonable rates of compensation for air-mail transportation, the Commission shall give consideration to the amount of air mail so carried, the facilities

supplied by the carrier, and its revenue and profits from all sources, and from a consideration of these and other material elements shall fix and establish rates for each route which, in connection with the rates fixed by it for all other routes, shall be designed to keep the aggregate cost of the transportation of air mail on and after July 1, 1940, within the limits of the anticipated postal revenue therefrom, as estimated by the Postmaster General, who shall make a report thereof to the Commission.

"In arriving at such determination the Commission shall disregard losses resulting, in the opinion of the Commission, from the unprofitable maintenance of nonmail schedules, in cases where the Commission may find that the gross receipts from such schedules fail to meet the additional operating expense occasioned thereby. In fixing and determining such rates, if it shall be contended or alleged by the holder of an air-mail contract that the rate of compensation in force for the service involved is insufficient, the burden of establishing such insufficiency and the extent thereof shall be assumed by him. In no case shall the rates fixed and determined by the said Commission hereunder exceed the limits prescribed in section 3 (a) of this act. No change in rates ordered by the Commission shall be retroactive or become effective at any time prior to the date of the order of the Commission fixing such rates or changing such rates."

Sec. 7. Section 6 of such act is amended by the addition of the following paragraph:

"(g) Whenever any application for a reduction or an increase of air-mail rates is filed by any air-mail contractor or the Postmaster General, the Commission shall immediately proceed to make a full and complete audit of the books, records, and accounts of the contractor affected, and shall transmit two copies of said audit to the Postmaster General and said contractor at least 30 days prior to the date set for such hearing. No hearing shall be held or ordered held on such application until such audit and report thereof is made to such contractor and the Postmaster General. If the Postmaster General, on receipt of such audit and notice of the setting of an application for a revision of rates, shall file application with the Commission for a continuance of said hearing for the purpose of making a further independent investigation of the books, accounts, and records of such contractor, the application shall be granted for a period of not less than 30 days."

Sec. 8. Subsection (a) of section 7 of such act is amended by substituting a comma for the colon preceding the proviso and inserting the following: "or to engage directly or indirectly in any phase of the aviation industry except the transportation of mail, passengers, and express."

Sec. 9. Section 15 of such act, as amended, is amended by the addition of the following proviso: "Provided, That this act shall not be construed as giving the Commission jurisdiction to consider any application for the establishment of any air-mail line or air-transport service, or to grant any such application on the grounds of public convenience and necessity, or for any other reason."

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That section 2 (b) of the act entitled 'An act to revise air-mail laws, and to establish a commission to make a report to the Congress recommending an aviation policy,' approved June 12, 1934, as amended (U. S. C., 1934 ed., title 39, sec. 469), is amended by adding at the end thereof the following paragraph:

"(4) The term 'nonmail schedule' means one for which compensation at mileage rates is not authorized by the Post Office Department."

"Sec. 2. Section 3 (a) of such act, as amended (U. S. C., 1934 ed., Supp. II, title 39, sec. 469a (a)), is amended by adding at the end thereof the following sentence: 'Notwithstanding any other provision of law, the rate of compensation bid by the contractor and accepted by the Postmaster General shall remain in full force and effect for the entire term of the initial period of any contract awarded by the Postmaster General after the date of enactment of this amendatory sentence.'

"Sec. 3. Section 3 (c) of such act, as amended (U. S. C., 1934 ed., Supp. II, title 39, sec. 469a (c)), is amended to read as follows:

"(c) If, in the opinion of the Postmaster General, the public interest requires it, he may grant extensions of any route from either terminus or any intermediate point thereof: *Provided*, That the aggregate mileage of all such extensions on any route in effect at one time shall not exceed 250 miles, and that the rate of pay for such extensions shall not be in excess of the rate per mile fixed for the service thus extended."

"Sec. 4. Section 6 (b) of such act, as amended (U. S. C., 1934 ed., Supp. II, title 39, sec. 469d (b)), is amended by adding at the end thereof the following sentence: 'The Interstate Commerce Commission shall furnish to the Postmaster General a copy of each report made to the Commission by any auditor, examiner, or employee covering any examination of books, records, accounts, contracts, and business records of air-mail contractors referred to in this section.'

"Sec. 5. Section 6 (e) of such act, as amended (U. S. C., 1934 ed., Supp. II, title 39, sec. 469d (e)), is amended to read as follows:

"(e) In fixing and determining the fair and reasonable rates of compensation for air-mail transportation, the Commission shall give consideration to the amount of air mail so carried, the facilities supplied by the carrier, and its revenue and profits from all sources, and from a consideration of these and other material elements, shall fix and establish rates for each route which, in connection with the rates fixed by it for all other routes, shall be designed to

keep the aggregate cost of the transportation of air mail on and after July 1, 1940, within the limits of the anticipated postal revenue therefrom, as estimated by the Postmaster General, who shall make a report thereof to the Commission.

"In arriving at such determination the Commission shall disregard losses resulting, in the opinion of the Commission, from the unprofitable maintenance of nonmail schedules, in cases where the Commission may find that the gross receipts from such schedules fall to meet the additional operating expenses occasioned thereby. In fixing and determining such rates, if it shall be contended or alleged by the holder of an air-mail contract that the rate of compensation in force for the service involved is insufficient, the burden of establishing such insufficiency and the extent thereof shall be assumed by him. In no case shall the rates fixed and determined by the said Commission hereunder exceed the limits prescribed in section 3 (a) of this act."

"Sec. 6. (a) Section 7 (a) of such act, as amended (U. S. C., 1934 ed., title 39, sec. 469e (a)), is amended by inserting before the colon preceding the proviso in such section a comma and the following: 'or to engage directly or indirectly in any phase of the aviation industry except the transportation of mail, passengers, and express, the training of personnel, the maintenance and repair of transportation and ground facilities and equipment necessarily incidental to such transportation, and the research and experimental work essential to the proper development of air-transport service.'"

"(b) The amendment made by subsection (a) of this section shall have no effect prior to the date of enactment of this section."

"Sec. 7. Section 15 of such act, as amended (U. S. C. 1934 ed., Supp. II, title 39, sec. 469m), is amended by adding at the end thereof the following: 'This act shall not be construed as giving the Commission jurisdiction to consider any application for the establishment of any air-mail line or air-transport service, or to grant any such application on the grounds of public convenience and necessity, or for any other reason.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

RED LAKE BAND OF CHIPPEWA INDIANS

The Clerk called the next bill, H. R. 4540, authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore (Mr. O'CONNOR of New York). Is there objection to the request of the gentleman from Missouri?

There was no objection.

UNITED STATES BOARD OF AWARDS

The Clerk called the next bill, H. R. 171, to create a United States Board of Awards and to provide for the presentation of certain medals.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

OFFICERS OF THE NAVY

The Clerk called the next bill, H. R. 7216, to provide for the assignment of officers of the Navy for duty under the Department of Commerce and appointment to positions therein.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

OSAGE TRIBE OF INDIANS

The Clerk called the next bill, S. 670, authorizing an appropriation for payment to the Osage Tribe of Indians on account of their lands sold by the United States.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

SAN CARLOS APACHE INDIANS

The Clerk called the next bill, S. 1231, authorizing payment to the San Carlos Apache Indians for the lands ceded by

them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CAMP MERRITT, N. J.

The Clerk called the next bill, H. R. 71, to provide for the establishment of a national monument on the site of Camp Merritt, N. J.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SAN JUAN NATIONAL MONUMENT, P. R.

The Clerk called the next bill, H. R. 7487, to establish the San Juan National Monument, P. R., and for other purposes.

Mr. MAY, Mr. MARTIN of Massachusetts, and Mr. LEWIS of Colorado objected.

Mr. LEWIS of Colorado. Mr. Speaker, my objection to this bill (H. R. 7487) is based upon careful investigation which has developed the following facts:

This bill proposes to establish a national monument at San Juan, P. R. This monument will include the entire main reservation of the post of San Juan, P. R., and other structures and areas pertaining to this post.

This bill also proposes to place the areas mentioned under the Secretary of the Interior for administration, protection, and development, virtually effecting a transfer of jurisdiction from the War Department to the Department of the Interior.

The post of San Juan, comprising some 155 acres, is the main station of the Regular Army in Puerto Rico. It is located on the point of the island of San Juan, on which island is also located the principal part of the city of San Juan. This station contains accommodations for 55 officers and 1,006 enlisted men. It includes the headquarters of all military activities on the island, warehouses for the storage of supplies for the entire command, shops, and a hospital. The cost of all improvements at this station is \$3,626,386.72, including \$365,000 which has been expended for new construction and rehabilitation since 1927. The land value has been estimated at figures ranging from three to nine million dollars.

The strategic value of this military reservation is based on its location at the entrance to San Juan Harbor, and on the fact that it is located on the island of San Juan in close proximity to the capitol and other government buildings, and the principal commercial and shipping sections of the city. Furthermore, the location of this station has certain psychological advantages in that the military power of the sovereign government has been located here ever since Puerto Rico became a colony of Spain several hundred years ago. It is believed that prestige and tradition also require that troops representing the sovereign power be stationed in the vicinity of the capitol and principal city of the island.

No suitable site for the relocation of this post is available on the island of San Juan, due to the fact that it is a congested city area and no other suitable site in close proximity to the city is available. The cost of acquiring any new site and establishing a new post would be considerable. Not less than \$3,000,000 would be required for buildings and improvements.

There are two other Army reservations in Puerto Rico, as follows:

Henry Barracks—395 acres—is the station of a battalion of infantry. It is located in the interior of the island some 38 miles from the city of San Juan. Its strategic location is unsatisfactory for the main station of the Regular troops in Puerto Rico. The post is without railroad connections. It is connected with the city of San Juan by a narrow,

hazardous road. Modern Army trucks must negotiate the greater portion of the trip to the post in second gear. The road passes through an area where rains and fogs are prevalent and is passable at night with great danger.

Camp Buchanan, 256 acres, is located 6 miles south of San Juan. It is used as a target range. It is not suitable for development as a garrisoned post owing to the proximity of swamps and the prevalence of insect pests. A ridge cuts off the breezes from the sea and offensive odors are prevalent.

In addition to the post of San Juan this bill applies to certain lands which are not under the control of the Army, and to the Army-controlled islands of Cabras, Canuelo, and Punta Salinas—small islands at the entrance to or in the vicinity of San Juan Harbor. Perhaps there would be no objection to the inclusion of these small islands in a national monument providing they remain available for military use in time of need and no considerable alteration or construction is undertaken thereon without the sanction of the Army.

There is added a proviso to the end of the bill which reads as follows:

Provided, That the President may authorize the use of lands therein by other Federal agencies when deemed by him not detrimental to the purposes of said national monument.

Presumably under this proviso the President could authorize the Army to remain in its present quarters on the post of San Juan. However, the administration, protection, and development of this reservation is to be exercised by the Secretary of the Interior, and it is impossible to visualize how satisfactory arrangements can be made for dual control. It is believed that any form of dual control where the military arm of the Government must be subject to regulation by a nonmilitary department of the Government would be inimical to the public interest, particularly in a foreign possession where the matter of prestige is of such great import.

It should be stated that the preservation of structures of historic interest on the post of San Juan has been carried on to the extent of the availability of funds. Considerable sums of relief money have been made available for expenditure in Puerto Rico and various efforts have been made to secure allotments of such funds for further rehabilitation and restoration projects on this property. Those efforts have been without success, except in a recent instance which involved an exchange of properties. Furthermore, the historic structures in question are open to the public and are visited by approximately 5,000 tourists yearly.

If it is determined to create a national monument, as proposed in this bill, a new station for the Army should be created in Puerto Rico or the troops should be withdrawn therefrom.

Particularly in these times it is imperative that nothing shall be done to impair our national defense, either on the American continent or on our insular possessions. Preservation of "unique historic landmarks" is interesting and important, but preservation of national safety is vital.

Therefore, Mr. Speaker, I object to this bill.

CIVIL GOVERNMENT FOR PUERTO RICO

The Clerk called the next bill, H. R. 1486, to amend section 30 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes."

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ALTERATIONS AND REPAIRS TO CERTAIN NAVAL VESSELS

The Clerk called the next bill, H. R. 560, to authorize alterations and repairs to certain naval vessels, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purpose of modernizing the U. S. S. Lexington and Saratoga, alterations and repairs to such vessels are hereby authorized, and expenditures therefor shall not be limited by the provisions of the act approved July 18, 1935 (49 Stat. 482): Provided, That the alterations and repairs to naval

vessels authorized by this act shall be subject to the provisions of such treaty or treaties limiting naval armaments as may be in effect at the time such alterations and repairs are undertaken.

With the following committee amendment:

Page 1, line 7, after the comma following the parenthesis, insert "but the total cost of such alterations and repairs shall not exceed \$15,000,000."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATCHEZ TRACE PARKWAY

The Clerk called the next bill, H. R. 6652, to provide for the administration and maintenance of the Natchez Trace Parkway, in the States of Mississippi, Alabama, and Tennessee, by the Secretary of the Interior, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. RANKIN. Mr. Speaker, reserving the right to object, has the gentleman from Michigan consulted the gentleman from Mississippi [Mr. Ford], the author of the bill?

Mr. WOLCOTT. I have not as yet, but I have been talking about this Natchez Trace bill on the floor of the House here for the last 2 years, and I think I have a reasonably clear understanding of it.

Mr. RANKIN. What is the gentleman's request?

Mr. WOLCOTT. That it be passed over without prejudice. The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ADDITIONAL CIRCUIT JUDGE FOR THE SIXTH JUDICIAL CIRCUIT

The Clerk called the next bill, H. R. 6907, to provide for the appointment of one additional circuit judge for the sixth judicial circuit.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, the sponsor of the bill has spoken to me about it, and I may say to the House and to the gentleman that the only question that arose concerning it was the fact that the Judicial Council had failed to make a recommendation on it. I understand the gentleman has some reason to offer for that or that the objection has been overcome.

Mr. CHANDLER. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. CHANDLER. The Federal Judicial Council, at its last meeting in September 1937, recommended this additional judge as being one of the imperatively needed United States circuit judges throughout the country. I asked that the matter go over without prejudice last summer, as the gentleman will recall, and I would like to ask now that the bill be passed.

Mr. WOLCOTT. In view of the gentleman's statement that the bill has been recommended by the Judicial Council, I withdraw my objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is hereby authorized to appoint, by and with the consent of the Senate, one additional circuit judge for the sixth judicial circuit.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHOPAWAMSIK RECREATIONAL PROJECT

The Clerk called the bill (H. R. 6351) to provide for the operation of the recreational facilities within the Chopawamsic recreational demonstration project, near Dumfries, Va., by the Secretary of the Interior through the National Park Service, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object. We have been guilty in this bill of an abuse which has been growing up constantly in the House, to authorize indefinite appropriations for several purposes. This bill authorizes such an appropriation as may be necessary to

carry out the provisions of the act. The House is not informed of the possible cost of the project, and in the absence of any assurance that we are not opening up the door wide I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?
There was no objection.

BOUNDARY OF GRAND CANYON NATIONAL PARK

The Clerk called the bill (H. R. 7264) to revise the boundary of the Grand Canyon National Park, in the State of Arizona, to abolish the Grand Canyon National Monument, to restore certain lands to the public domain, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent that this bill be recommitted to the Committee on the Public Lands for certain changes.

The SPEAKER pro tempore. Is there objection?
There was no objection.

ELEMENTARY SCHOOL PURPOSES IN PUBLIC PARKS

The Clerk called the bill (H. R. 7825) to authorize the use of certain facilities of national parks and national monuments for elementary school purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate the providing of educational opportunities for children of Government employees and other residents in the national parks and national monuments, the Secretary of the Interior is hereby authorized in his discretion to make available for elementary-school purposes therein, without charge, space in Government-owned buildings, and to permit the use, without charge, of Government-owned transportation facilities, when available without detriment to the official business of such national parks and national monuments, for conveying such children to and from schools when not conveniently accessible by public transportation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISLE ROYALE NATIONAL PARK

The Clerk called the bill (H. R. 7826) to make available for national-park purposes certain lands within the boundaries of the proposed Isle Royale National Park, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all lands purchased from funds heretofore allocated and made available by Executive order, or otherwise, or which hereafter may be allocated and made available for the acquisition of lands for conservation or forestation purposes within the maximum boundaries of the Isle Royale National Park, as authorized by the act of March 3, 1931 (46 Stat. 1514), be, and the same are hereby, made a part of the said park as fully as if originally acquired for that purpose and the proviso at the end of section 1 of the said act of March 3, 1931, shall not be construed so as to prohibit the acquisition of lands in the park area with the aforesaid funds.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ARROWROCK DAM

The Clerk called the bill (H. R. 7567) to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of avoiding an unduly high operation and maintenance assessment in any one year and to keep the operation and maintenance charges in connection with the Arrowrock Division of the Boise reclamation project within the ability of the water users to pay, the Secretary of the Interior is authorized to allow the irrigation districts of the said Arrowrock Division and the irrigation districts, ditch companies, and water users who have assumed obligations, to pay proportionate parts of the estimated cost of the operation and maintenance of the Arrowrock Reservoir, to pay the estimated cost, hereafter deter-

mined by the Secretary of the Interior, incurred during the calendar years 1936 to 1938 in the repair, resurfacing, and improvement of the Arrowrock Dam and increasing the height thereof (to provide additional capacity to offset past and, to some extent, future losses of capacity resulting from the deposits of silt in the said reservoir) in 20 annual installments instead of requiring the payment of all of such operation and maintenance cost in 1 year as provided in section 5 of the act of Congress of August 13, 1914 (38 Stat. 686).

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

FUNDS OF CHIPPEWA INDIANS

The Clerk called the bill (H. R. 4544) to divide the funds of the Chippewa Indians of Minnesota between the Red Lake Band and the remainder of the Chippewa Indians of Minnesota, organized as the Minnesota Chippewa Tribe.

The SPEAKER pro tempore. Is there objection?

Mr. BUCKLER of Minnesota. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

JURISDICTION OF COURT OF CLAIMS

The Clerk called Senate Joint Resolution 64, defining the jurisdiction of the Court of Claims under the acts approved March 19, 1924 (43 Stat. 27), and April 25, 1932 (47 Stat. 137), and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate joint resolution?

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that this Senate joint resolution go over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

SHOSHONE POWER PLANT

The Clerk called the bill (H. R. 3786) providing for the allocation of net revenues of the Shoshone power plant of the Shoshone reclamation project in Wyoming.

The SPEAKER pro tempore. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object, to ask the author of the bill to explain what is planned here. I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LOSS OF TITLE TO CERTAIN INDIAN LANDS

The Clerk called the bill (H. R. 2534) to authorize the Secretary of the Interior to investigate and report on the loss of title to or the encumbrance of lands allotted to Indians.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

WAPATO INDIAN IRRIGATION PROJECT, YAKIMA, WASH.

The Clerk called the next bill, S. 558, amending acts fixing the rate of payment of irrigation construction costs on the Wapato Indian irrigation project, Yakima, Wash., and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

RED RIVER, OKLA.

The Clerk called the next bill, H. R. 3418, to extend the public-land laws of the United States to certain lands, consisting of islands, situated in the Red River in Oklahoma.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the public-land laws of the United States be, and the same are hereby, extended to the public lands in that part of the Red River between the medial line and the south bank of the river, in Oklahoma, between the ninety-eighth

meridian and the east boundary of the territory established as Greer County by the act of May 4, 1896 (29 Stat. 113): *Provided*, That said lands shall be opened to settlement, entry, and other disposal, under the existing public-land laws of the United States, on such dates as may be fixed by the Secretary of the Interior: *Provided further*, That the Secretary of the Interior is hereby authorized to recognize equitable claims to said lands based on settlement made prior to January 1, 1934: *And provided further*, That all homestead entries of said lands, the allowance of which was erroneous because the lands were not subject to entry, and all suspended entries and applications to make final proof, are hereby validated if otherwise regular.

With the following committee amendments:

Page 2, line 5, after the colon, strike out the conjunction "and." Page 2, line 9, after the word "Regular", strike out the period and substitute a colon and insert the following: "*Provided further*, That patents on nonmineral entries, selections, or locations of said lands shall contain a reservation to the United States of all minerals therein, together with the right to prospect for, mine, and remove the same under applicable laws relating to such minerals: *And provided further*, That the oil and gas deposits in said land shall be disposed of in accordance with the provisions of an act entitled 'An act to permit the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain', of February 25, 1920 (41 Stat. 437), as amended."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL PARKS

The Clerk called the next bill, H. R. 6350, to amend the act of August 24, 1912 (37 Stat. 460), as amended, with regard to the limitation of cost upon the construction of buildings in national parks.

Mr. McLEAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

HABEAS CORPUS PROCEEDINGS

The Clerk called the next bill, H. R. 6178, to abolish appeals in habeas corpus proceedings brought to test the validity of orders of removal.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsections (a) and (b) of section 6 of the act of February 13, 1925, entitled "An act to amend the Judicial Code, and to further define the jurisdiction of the circuit courts of appeals and of the Supreme Court, and for other purposes" (43 Stat. 940, U. S. C., title 28, sec. 452 and sec. 463, subsecs. (a) and (b)), be, and they are hereby, amended to read as follows:

"(a) In a proceeding in habeas corpus in a district court, or before a district judge or a circuit judge, the final order shall be subject to review, on appeal, by the circuit court of appeals of the circuit wherein the proceeding is had: *Provided, however*, That there shall be no right of appeal from such order in any habeas corpus proceeding to test the validity of a warrant of removal issued pursuant to the provisions of section 1014 of the Revised Statutes (U. S. C., title 18, sec. 591) or the detention pending removal proceedings. A circuit judge shall have the same power to grant writs of habeas corpus within his circuit that a district judge has within his district. The order of the circuit judge shall be entered in the records of the district court of the district wherein the restraint complained of is had.

"(b) In such a proceeding in the District Court of the United States for the District of Columbia, or before a justice thereof, the final order shall be subject to review on appeal, by the United States Court of Appeals for the District of Columbia: *Provided, however*, That there shall be no right of appeal from such order in any habeas corpus proceeding to test the validity of a warrant of removal issued pursuant to the provisions of section 1014 of the Revised Statutes (U. S. C., title 18, sec. 591) or the detention pending removal proceedings."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

The Clerk called the next bill, H. R. 8014, to make confidential certain information furnished to the Bureau of Foreign and Domestic Commerce, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BOREN. Mr. Speaker, I ask unanimous consent to substitute a similar Senate bill, S. 2940, for the House bill. The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That any statistical information furnished in confidence to the Bureau of Foreign and Domestic Commerce by individuals, corporations, and firms shall be held to be confidential, and shall be used only for the statistical purposes for which it is supplied. The Director of the Bureau of Foreign and Domestic Commerce shall not permit anyone other than the sworn employees of the Bureau to examine such individual reports, nor shall he permit any statistics of domestic commerce to be published in such manner as to reveal the identity of the individual, corporation, or firm furnishing such data.

Sec. 2. Any employee of the Bureau of Foreign and Domestic Commerce violating any of the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000 or imprisoned not exceeding 1 year, or both.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RESEARCH LABORATORY

The Clerk called the next bill, S. 2789, to provide for the establishment and maintenance of a regional research laboratory for the development of industrial uses for agricultural products; the first unit to be devoted to the development of industrial uses for cotton and cotton products; additional units to be provided for the study of other crops as additional funds are provided.

Mr. McLEAN, Mr. WOLCOTT, and Mr. CHURCH objected.

DISABILITY COMPENSATION OF GOVERNMENT EMPLOYEES

The Clerk called the next bill, H. R. 1547, to amend section 42 of the act of Congress entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 42 of the act of Congress entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, be, and the same hereby is, amended to read as follows:

"Sec. 42. That the President may, from time to time, transfer the administration of this act so far as employees of the Panama Canal and of the Panama Railroad Co. are concerned to the Governor of the Panama Canal, and so far as employees of the Alaska Railroad are concerned to the general manager of the Alaska Railroad, in which cases the words 'Commission' and 'its' wherever they appear in this act shall, so far as necessary to give effect to such transfer, be read, 'Governor of the Panama Canal' or 'the general manager of the Alaska Railroad', as the case may be, and 'his'; and the expenses of medical examinations under sections 21 and 22, and the reasonable traveling and other expenses and loss of wages payable to employees under section 21, shall be paid out of appropriations for the Panama Canal or for the Alaska Railroad, or out of funds of the Panama Railroad, as the case may be, instead of out of appropriations for the work of the Commission.

"In the case of compensation to employees of the Panama Canal or of the Panama Railroad Co. for temporary disability, either total or partial, the President may authorize the Governor of the Panama Canal to waive, at his discretion, the making of the claim required by section 18. In the case of alien employees of the Panama Canal or of the Panama Railroad Co., or of any class or classes of them, the President may remove or modify the minimum limit established by section 6 on the monthly compensation for disability and the minimum limit established by clause (K) of section 10 on the monthly pay on which death compensation is to be computed. The President may authorize the Governor of the Panama Canal and the general manager of the Alaska Railroad to pay the compensation provided by this act, including the medical, surgical, and hospital services and supplies provided by section 9 and the transportation and burial expenses provided by sections 9 and 11, out of the appropriations for the Panama Canal and for the Alaska Railroad, such appropriations to be reimbursed for such payments by the transfer of funds from the employees' compensation fund.

"In the cases of injuries to employees of the Alaska Railroad the medical examinations under sections 24 and 22 hereof shall be conducted by medical officers or physicians other than those in the employ of the Alaska Railroad.

"The transfer by the President of the administration of this act so far as the employees of the Alaska Railroad are concerned to the general manager of the Alaska Railroad shall not divest the United States Employees' Compensation Commission of jurisdiction hereunder, and any claimant shall have the right of appeal from the decision of the general manager of the Alaska Railroad to the United States Employees' Compensation Commission, and the Commission shall, upon such appeal, and may at any time, on its own motion, review the decision of the general manager of the Alaska Railroad, and in accordance with the facts found on such review, may proceed as provided in section 37 hereof. The United States Employees' Compensation Commission shall provide the form and manner of taking such appeals."

With the following committee amendment:

Strike out all of lines 14, 15, 16, and 17.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BUSINESS TAX IN ALASKA

The Clerk called the next bill, H. R. 7553, to amend the laws of Alaska imposing taxes for carrying on business and trade.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the paragraph of section 460, chapter 44, title II, of the act approved March 3, 1899, entitled "An act to define and punish crimes in the District of Alaska and to provide a code of criminal procedure for said District" (30 Stat. 1336), as amended by the act approved June 6, 1900, entitled "An act making further provisions for a civil government for Alaska, and for other purposes" (31 Stat. 330), which reads as follows:

"Electric-light plants, furnishing light or power for sale, \$300 per annum."

is hereby amended to read as follows:

"Electric-light plants furnishing light and power for sale: Doing a business of \$100,000 per annum, \$500 per annum; doing a business of \$75,000 per annum, \$375 per annum; doing a business of \$50,000 per annum, \$250 per annum; doing a business of \$25,000 per annum, \$125 per annum; doing a business of \$10,000 per annum, \$50 per annum; doing a business of under \$10,000 per annum, \$25 per annum; doing a business of under \$4,000 per annum, \$10 per annum."

With the following committee amendment:

Page 2, line 12, strike out the period, insert a colon in lieu thereof, and after the colon the following: "Provided, That plants operated by municipal corporations, by cooperative societies, or eleemosynary institutions shall be required to pay only \$10 per annum irrespective of the amount of business done."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPENSATION OF FOURTH-CLASS POSTMASTERS

The Clerk called the next bill, H. R. 2890, fixing annual compensation for postmasters of the fourth class.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PRINTING OF ILLUSTRATIONS OF UNITED STATES AND FOREIGN STAMPS FOR PHILATELIC PURPOSES

The Clerk called the next bill, H. R. 8235, to permit the printing of black-and-white illustrations of United States and foreign postage stamps for philatelic purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BOREN. Mr. Speaker, I ask unanimous consent that the bill S. 2550 may be considered in lieu of the House bill. The Senate bill is similar to the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Postmaster General shall prepare, in such form and at such times as he shall deem advisable, and, upon his request, the Public Printer shall print as a public document to be sold by the Superintendent of Documents, illustrations

in black and white of postage stamps of the United States, together with such descriptive, historical, and philatelic information with regard to such stamps as the Postmaster General may deem suitable: *Provided*, That notwithstanding the provisions of section 52 of the act of January 12, 1895 (U. S. C., 1934 ed., title 44, sec. 58), stereotype or electrotype plates, or duplicates thereof, used in the publications authorized to be printed by this section shall not be sold or otherwise disposed of but shall remain the property of the United States: *And provided further*, That notwithstanding the provisions of section 7 of the Copyright Act of March 4, 1909 (U. S. C., 1934 ed., title 17, sec. 7), or any other provision of law, copyright may be secured by the Postmaster General on behalf of the United States in the whole or any part of the publication authorized by this section.

SEC. 2. The act of March 3, 1923 (U. S. C., 1934 ed., title 18, sec. 350), is amended to read as follows: "That (a) nothing in sections 161, 172, and 220 of the Criminal Code, as amended, or in any other provision of law, shall be construed to forbid or prevent the printing, publishing, or importation, or the making or importation of the necessary plates for such printing or publishing, for philatelic purposes in articles, books, journals, newspapers, or albums (including the circulars or advertising literature of legitimate dealers in stamps or publishers of or dealers in philatelic or historical articles, books, journals, or albums), of black-and-white illustrations of—

"(1) foreign revenue stamps if from plates so defaced as to indicate that the illustrations are not adapted or intended for use as stamps;

"(2) foreign postage stamps; or

"(3) such portion of the border of a stamp of the United States as may be necessary to show minor distinctive features of the stamp so illustrated, but all such illustrations shall be at least four times as large as the portion of the original United States stamp so illustrated.

"(b) Notwithstanding any other provision of law, the Secretary of the Treasury, subject to the approval of the President, may, upon finding that no hindrance to the suppression of counterfeiting and no tendency to bring into disrepute any obligation or other security of the United States will result, by regulations, permit, to the extent and under such conditions as he may deem appropriate, the printing, publishing, or importation, or the making, or importation of the necessary plates for such printing or publishing, for philatelic purposes in articles, books, journals, newspapers, or albums (including the circulars or advertising literature of legitimate dealers in stamps or publishers of or dealers in philatelic or historical articles, books, journals, or albums), of black-and-white illustrations of canceled or uncanceled United States postage stamps. The Secretary, subject to the approval of the President, may amend or repeal such regulations at any time. Such regulations, and any amendment or repeal thereof, shall become effective upon publication thereof in the Federal Register or upon such date as may be specified therein if later than the date of publication. All findings of fact made hereunder shall be final and conclusive and shall not be subject to review."

SEC. 3. Section 147 of the Criminal Code is hereby amended by striking out the period at the end thereof and adding a comma and the following: "and canceled United States stamps."

SEC. 4. Section 172 of the Criminal Code is hereby amended by the addition of the following new paragraph at the end thereof:

"Except as to counterfeits, material, and apparatus referred to in the preceding paragraph, all articles and devices and any other thing whatsoever made, possessed, or in any manner used in violation of any of the provisions of chapter 7 or sections 205, 218, 219, or 220 of chapter 8 of the Criminal Code, or the act of August 26, 1935 (U. S. C., 1934 ed., title 18, ch. 7, and secs. 328, 347, 348, 349, and 349a, ch. 8), as amended, or in respect of which a violation of any such provision has occurred, and all material or apparatus fitted or intended to be used, or that shall have been used, in the making of such articles, devices, or other things, that shall be found in the possession of any person without authority from the Secretary of the Treasury or other proper officer to have the same, shall be taken possession of by any authorized agent of the Treasury Department and forfeited to the United States and disposed of in any manner the Secretary of the Treasury may direct. Whoever having the custody or control of any such articles, devices, or other things, material, or apparatus shall fail or refuse to surrender possession thereof upon request by any such authorized agent of the Treasury Department shall be fined not more than \$100 or imprisoned not more than 1 year, or both. Whenever any person interested in any article, device, or other thing, or material or apparatus seized under this paragraph files with the Secretary of the Treasury, before the disposition thereof, a petition for the remission or mitigation of such forfeiture, the Secretary of the Treasury, if he finds that such forfeiture was incurred without willful negligence or without any intention on the part of the petitioner to violate the law, or finds the existence of such mitigating circumstances as to justify the remission or the mitigation of such forfeiture, may remit or mitigate the same upon such terms and conditions as he deems reasonable and just."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 8235) was laid on the table.

CONVEYANCE OF CERTAIN LAND TO KETCHIKAN, ALASKA

The Clerk called the next bill, H. R. 7259, to authorize the conveyance by the United States to the city of Ketchikan, Alaska, of a certain tract of land in the town site of Ketchikan, Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to convey to the city of Ketchikan in the Territory of Alaska, for school purposes, all right, title, and interest of the United States in and to the tract described on the plat of survey of the town site of Ketchikan as Courthouse Reserve in block 13.

With the following committee amendment:

Page 1, line 3, after the word "that," insert "upon the completion of the new Federal building now under construction at Ketchikan, Alaska."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING AN ACT MAKING PROVISION FOR A CIVIL GOVERNMENT FOR ALASKA

The Clerk called the next bill, H. R. 7778, to amend section 26, title I, chapter 1, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Alaska will just explain what this bill does?

Mr. DIMOND. Mr. Speaker, under existing law the mining of land for gold and other precious metals between low tide and high tide on the shores of the Bering Sea is permitted under such regulations as may be prescribed by the Secretary of War.

This bill seeks to extend to all of the shore line of Alaska those provisions of law permitting mining between high- and low-tide lines, which now exist only with reference to the shores of the Bering Sea. The point is that some gentlemen in Alaska think they can work some other part of the tidelands between low and high tide if they may be permitted to do so. Both the Interior Department and the War Department have recommended that the whole matter be placed under the jurisdiction of the Secretary of the Interior rather than the Secretary of War. Under present law the Secretary of War has supervision of whatever mining is done on the tidelands of Bering Sea.

In the early days of gold mining in Alaska valuable deposits of gold-bearing sands were found on the beach of Seward Peninsula, washed by the waters of Bering Sea, between the low- and high-tide lines of that sea. Since a mining claim located on the upland did not under the law extend below the line of mean high tide on the beach, there was no way in which a miner could secure a legal right to mine the gold-bearing sands and gravels between the lines of high and low tide. The privilege of mining those tidelands was a valuable one, and it seemed highly advisable that some way be found to permit the mining of such gold-bearing ground. Accordingly, the act of June 6, 1900, contains the existing provision which permits the exploration and mining for gold and other precious metals by citizens of the United States or persons who have legally declared their intentions to become such, of "all land and shoal water between low and mean high tide on the shores, bays, and inlets of Bering Sea, within the jurisdiction of the United States," under such general rules and regulations as the Secretary of War should prescribe, for the preservation of order and the protection of the interests of commerce.

From the year 1900 until the present time a portion of the tidelands of Bering Sea have been worked each year. In fact, as I now recall, one of the operators on the Bering Sea tidelands was reported to have had a clean-up of upward of \$70,000 last spring. So far as I am aware, there

has been no objection to the working and mining of the tidelands of Bering Sea. The work has not resulted in any interference with commerce or navigation.

It will be noted, however, that the benefits of the provisions of the act of June 6, 1900, to which I have just referred, were confined to the Bering Sea area only and did not extend to the remainder of the tidelands in Alaska, perhaps 10,000 miles or more in extent. Now it is suggested that the tidelands of Alaska which front on the Pacific Ocean or some of the numerous bays and inlets thereof, may be profitably worked and, therefore, it is desired to have some way provided by law by which the mining operations on those beaches may be carried on. It is to be remembered that this proposed legislation affects only the land between low and mean high tide and does not at all affect the upland.

The report on the bill will show that it has the approval of the Secretary of War, the Secretary of the Interior, and that no objection to its enactment has been offered by the Bureau of the Budget. The bill, in fact, provides only for a geographical extension of a provision of law which had been enforced since June 6, 1900, and which has been found workable and entirely satisfactory.

Mr. MARTIN of Massachusetts. This transfers it to the jurisdiction of the War Department?

Mr. DIMOND. From the War Department to the Interior Department, because the Interior Department has general supervision of all mining lands in Alaska as well as in the United States which are on the public domain.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 26, title I, chapter 1, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900 (31 Stat. 321), is amended to read as follows:

"Sec. 26. The laws of the United States relating to mining claims, mineral locations, and rights incident thereto are hereby extended to the Territory of Alaska: *Provided*, That, subject only to such general limitations as may be necessary to exempt navigation from artificial obstructions, all land and shoal water between low and mean high tide on the shores, bays, and inlets of Alaska, within the jurisdiction of the United States, shall be subject to exploration and mining for gold and other precious metals by citizens of the United States, or persons who have legally declared their intention to become such, under such reasonable rules and regulations as the miners in organized mining districts may have heretofore made or may hereafter make governing the temporary possession thereof for exploration and mining purposes until otherwise provided by law: *Provided further*, That the rules and regulations established by the miners shall not be in conflict with the mining laws of the United States; and no exclusive permit shall be granted by the Secretary of War authorizing any person or persons, corporation, or company, to excavate or mine under any of said waters below low tide, and if such exclusive permit has been granted it is hereby revoked and declared null and void; but citizens of the United States or persons who have legally declared their intention to become such shall have the right to dredge and mine for gold or other precious metals in said waters, below low tide, subject to such general rules and regulations as the Secretary of War may prescribe for the preservation of order and the protection of the interests of commerce; such rules and regulations shall not, however, deprive miners on the beach of the right hereby given to dump tailings into or pump from the sea opposite their claims, except where such dumping would actually obstruct navigation, and the reservation of a roadway 60 feet wide under the tenth section of the act of May 14, 1898, entitled 'An act extending the homestead laws and providing for right-of-way for railroads in the District of Alaska, and for other purposes,' shall not apply to mineral lands or town sites."

With the following committee amendment:

Page 2, line 15, strike out "War" and insert "the Interior."
Page 2, line 23, strike out "War" and insert "the Interior."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING PUBLIC-UTILITY DISTRICTS IN ALASKA TO INCUR BONDED INDEBTEDNESS

The Clerk called the next bill, H. R. 7827, to authorize public-utility districts in the Territory of Alaska to incur bonded indebtedness, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That public-utility districts in the Territory of Alaska, organized under the laws of said Territory, are hereby authorized to construct, improve, extend, better, repair, reconstruct, acquire, and operate any and all types of public utilities and improvements under and in accordance with and to the full extent provided by the laws of said Territory relating to public-utility districts in said Territory, and to incur bonded indebtedness and to issue negotiable bonds for any or all of said purposes: *Provided, however,* That no public utility district shall incur bonded indebtedness or issue its negotiable bonds under this act to an amount which shall exceed 10 percent of the aggregate value of the real and personal property within such public-utility district subject to taxation by such district.

SEC. 2. No bonded indebtedness shall be incurred by any public-utility district in the Territory of Alaska unless the proposal to incur such indebtedness be first submitted to the qualified electors of such district whose names appear on the last tax-assessment roll or record of such district for purposes of district taxation, at an election called for such purpose, and not less than 65 percent of the votes cast at such election shall be in favor thereof. Not less than 20 days' notice of any such election shall be given by posting notices of the same in three conspicuous places within the district, one of which shall be posted at the front door of the United States post office therein, if there be a United States post office within such district. The registration for such election, the manner of conducting the same, the form of ballot, and the canvass of the returns shall be prescribed by the governing body of such district.

SEC. 3. Bonds issued pursuant to this act shall bear such date or dates, may be in such denominations, may mature in such amounts and at such time or times not exceeding 30 years from the date thereof, may be payable at such place or places, may be sold at public or private sale, may be redeemable (either with or without premium) or nonredeemable, may carry such registration privileges as to either principal and interest or principal only, and may be executed by such officers and in such manner as shall be prescribed by the governing body of the district issuing the bonds. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signatures, whether manual or facsimile, shall, nevertheless, be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery. The bonds so issued shall bear interest at a rate to be fixed by the governing body of the district issuing the same, not to exceed, however, 6 percent per annum, payable semiannually. All such bonds shall be sold for not less than the principal amount thereof plus accrued interest.

SEC. 4. It shall be the duty of the governing body of every district which incurs such bonded indebtedness to levy or cause to be levied each year during the life of such outstanding bonds taxes in amounts sufficient seasonably to provide for payment and to pay all interest on and the principal of such obligations as they respectively accrue and mature.

SEC. 5. All acts and parts of acts in conflict herewith are hereby repealed to the extent of such conflict. The powers conferred by this act shall be in addition and supplemental to the powers conferred by any other law, and the limitations imposed hereby shall not affect the powers conferred by any other law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERECTION OF TERMINAL MARKER FOR JEFFERSON DAVIS NATIONAL HIGHWAY

The Clerk called the next bill, S. 1468, authorizing the erection in the District of Columbia of a suitable terminal marker for the Jefferson Davis National Highway.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I want to compliment the gentleman from Illinois, chairman of the Library Committee, for his tenacity in bringing this bill up at each session of the Congress. To my knowledge it has been objected to and stricken from this calendar on an average of once a year for the last 5 years. I understand there is some question about the way this bill was reported out of the Library Committee. The inference has been the gentleman from Illinois reported the bill out without notification to committee members or without committee meeting. I really think, if the Committee on the Library had met and considered the action that was taken by the House in respect to this bill on several occasions, it would have hesitated to report the bill.

This is a very embarrassing bill and many of us have had to take a great deal of criticism because of it, but I want to

now, without making further explanation, give notice to the Library Committee that as long as I am on the Consent Calendar committee, and as long as this bill appears on the Consent Calendar, I will constantly object to it for the reasons I have been giving over a period of 5 years.

For the reasons I have so often given, I object to the bill.

BRIDGE ACROSS RED RIVER OF THE NORTH AT OR NEAR NIELSVILLE, MINN.

The Clerk called the next bill, H. R. 8623, a bill authorizing the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, N. Dak., and Polk County, Minn., to construct, maintain, and operate a free highway bridge across the Red River of the North westerly of Nielsville, Minn.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. DONDERO. Mr. Speaker, reserving the right to object, may I ask the author of the bill if it supplants some bridge now existing or does it come in competition with a bridge that is there now?

Mr. BUCKLER of Minnesota. No. This is a new bridge across the Red River of the North. Each county, one in North Dakota and one in Minnesota, will pay for it, and we want the authorization or the right to build the bridge over the river.

Mr. DONDERO. It does not destroy an existing bridge?

Mr. BUCKLER of Minnesota. No.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, N. Dak., and Polk County, Minn., be, and are hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Red River of the North, at a point suitable to the interests of navigation, westerly of Nielsville, Minn., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, N. Dak., and Polk County, Minn., all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE RED RIVER OF THE NORTH BETWEEN CALEDONIA, N. DAK., AND SHELLY, MINN.

The Clerk called the next bill, H. R. 8409, authorizing the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, N. Dak., and Norman County, Minn., to construct, maintain, and operate a free highway bridge across the Red River of the North between Caledonia, N. Dak., and Shelly, Minn.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. DONDERO. Mr. Speaker, reserving the right to object, may I ask the author of this bill whether or not this is a similar bill to the one just passed?

Mr. LEMKE. Mr. Speaker, this is a similar bill and provides for a bridge across the Red River of the North between Caledonia, N. Dak., and Shelly, Minn.

Mr. DONDERO. It does not come in competition with any existing bridge?

Mr. LEMKE. No.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, N. Dak., and Norman County, Minn., be, and are hereby authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Red River of the North, at a point suitable to the interests of navigation, between Caledonia, N. Dak., and Shelly, Minn., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

Sec. 2. There is hereby conferred upon the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, N. Dak., and Norman County, Minn., all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

Sec. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SESSION LAWS OF HAWAII

The Clerk called the next bill, H. R. 8403, to ratify and confirm Act 23 of the Session Laws of Hawaii, 1937, extending the time within which revenue bonds may be issued and delivered under Act 174 of the Session Laws of Hawaii, 1935.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Act 23 of the Session Laws of Hawaii, 1937, amending section 17 of Act 174 of the Session Laws of Hawaii, 1935, so as to extend the time within which revenue bonds may be issued and delivered under said Act 174 is hereby ratified and confirmed and revenue bonds may be issued under and pursuant to the provisions of said Act 174 of the Session Laws of Hawaii, 1935, as amended by said Act 23, without the approval of the President of the United States and without the incurring of an indebtedness within the meaning of the Hawaiian Organic Act, and said Act 174, as amended by said Act 23, shall constitute full authority for the issuance of said bonds without reference to and independent of the Hawaiian Organic Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AIRPORTS, TERRITORY OF HAWAII

The Clerk called the next bill, H. R. 8404, to authorize the Territory of Hawaii to convey the present Maalaea Airport on the island of Maui, Territory of Hawaii, to the Hawaiian Commercial & Sugar Co., Ltd., in part payment for 300.71 acres of land at Pulehu-Nui, island of Maui, Territory of Hawaii, to be used as a site for a new airport.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any provision of the Hawaiian Organic Act to the contrary notwithstanding, the Governor of Hawaii, with the approval of the commissioner of public lands of the Territory of Hawaii and the Territorial Land Board, is hereby authorized to convey to the Hawaiian Commercial & Sugar Co., Ltd., the present Maalaea Airport on the island of Maui, comprising an area of approximately 111.9 acres and an appraised value of \$13,425, in part payment for a conveyance to the Territory of Hawaii, by said Hawaiian Commercial & Sugar Co., Ltd., of an area approximately 300.71 acres and an appraised value of \$30,017.75, situated at Pulehu-Nui, island of Maui, Territory of Hawaii, to be used as a site for a new airport.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHIPPEWA INDIAN LANDS, MINNESOTA

The Clerk called the next bill, H. R. 8432, to provide for a flowage easement on certain ceded Chippewa Indian lands bordering Lake of the Woods, Warroad River, and Rainy River, Minn., and for other purposes.

Mr. WOLCOTT. Mr. Speaker, we have not had time to consider this bill and the next bill, and for that reason I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

FOREIGN DIPLOMATIC AND CONSULAR OFFICERS IN THE DISTRICT OF COLUMBIA

The Clerk called the next resolution, Senate Joint Resolution 191, to protect foreign diplomatic and consular officers and the buildings and premises occupied by them in the District of Columbia.

Mr. FISH. Mr. Speaker, I object.

The SPEAKER pro tempore. This completes the consideration of the Consent Calendar.

VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—CUSTODIAL SERVICE, POST OFFICE DEPARTMENT (H. DOC. NO. 480)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 7415, Seventy-fifth Congress, entitled "An act to increase the rates of pay for charmen and charwomen in the custodial service of the Post Office Department."

The bill fixes the hourly pay of charmen and charwomen employed on a part-time basis in the Post Office Department at 55 cents and of head charmen and head charwomen at 60 cents. These part-time employees are covered by a proviso under grade 2 of the custodial service under the Classification Act. In the original Classification Act, effective July 1, 1924, the hourly pay rates were 40 cents and 45 cents, respectively. Effective July 1, 1928, the rates were raised to 45 cents and 50 cents, respectively; and on July 3, 1930, they were raised to 50 cents and 55 cents, respectively. This is the only class of employees covered by the Classification Act for whom there is a fixed, single, minimum-maximum rate of pay.

The enrolled bill is fundamentally objectionable on three counts:

First. Because it requires an increase in the rate of pay of the char force in one branch of the Government service without applying the same increase to the char force in other branches of the service.

Second. Because it requires the payment to charmen and charwomen in compensation for their services a rate of pay which, upon a per annum basis, exceeds the average rate as fixed by law for all other employees in this same grade. The average of the rates of pay for full-time work is \$1,230, whereas upon the same full-time basis the rates of pay for charmen and charwomen in the Post Office Department would be fixed by this bill at \$1,258, and the rates of head charmen and charwomen in that Department would be fixed at \$1,372.

Third. Because it requires the payment of an increased rate of pay for one class of employees in one grade under the Classification Act without taking into consideration the effect of such increase upon the rates of pay for other grades under the act. For example, the average rate of pay for full-time employees in grade 1 of the subprofessional service is \$1,200, as compared with the char force rates of pay under the enrolled bill, if computed upon a full-time basis, of \$1,258 for charmen and charwomen and \$1,372 for head charmen and head charwomen.

I deeply regret the necessity for withholding my approval of a measure which would provide increased compensation for a low paid class of employees; but I do not feel, for the

reasons which I have set forth, that I would be justified in taking different action with respect to a bill that would give preferential treatment to any single group of employees.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 17, 1938.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. MEAD. Mr. Speaker, I move that the bill and message be referred to the Committee on the Post Office and Post Roads.

The motion was agreed to.

NAVY DEPARTMENT APPROPRIATION BILL, 1939

Mr. UMSTEAD, from the Committee on Appropriations, reported the bill (H. R. 8993) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1939, and for other purposes (Rept. No. 1699), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. DITTER. Mr. Speaker, I reserve all points of order on the bill.

EXTENSION OF REMARKS

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to revise and extend in the RECORD the remarks I made today with reference to the bill (H. R. 7778) to amend section 26, title I, chapter 1, of the act entitled "An act making further provision for a civil government of Alaska, and for other purposes," approved June 6, 1900.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mrs. HONEYMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a radio address delivered by me at Portland, Oreg.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an excerpt from a resolution adopted by the Central Labor Council of Long Beach, Calif.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at the point where two other Members and I objected to the present consideration of the bill (H. R. 7487) to establish the San Juan National Monument, P. R., and for other purposes, in order that I may explain why it would be most unfortunate to pass this bill. Its passage would seriously and adversely affect our military defenses in Puerto Rico.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

COMMERCIAL RELATIONS WITH JAPAN

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I ask unanimous consent that the Clerk may read a resolution which I send to the desk.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read as follows:

House joint resolution directing the President of the United States to suspend commercial relations with the Empire of Japan during the occupation of Chinese territory by Japanese armed troops

Resolved, etc., That the President of the United States be, and he is hereby, directed to cause to be suspended commercial relations

with the Empire of Japan by prohibiting the importation into the United States from or by Japan and the exportations from the United States into the Empire of Japan of goods and merchandise of every kind and character during the occupation of Chinese territory by armed troops of the Imperial Government of Japan.

Mr. RICH. Mr. Speaker and Members of the House, I am introducing this resolution because I am reliably informed by reading an article in the Indian Witness by E. Stanley Jones, probably one of the best-known American missionaries now serving in Asia, a man of ability and power, a man who is interested in men and their future salvation, a man who is interested more in happiness and contentment than in making American dollars; one who is interested in saving the lives of men rather than wounding, persecuting, and executing them; a man who knows the condition in Asia as well as any American probably could know it. Stanley Jones says:

The objection has been raised that when we ask for economical withdrawal we play into the hands of the militarists in Japan. My answer is that when we trade with Japan we not merely play into the hands of the militarists, we actually strengthen those hands, put guns in them, and thus help in the subjugation of China. We become part and parcel of that invasion. Our hands that buy and sell are stained with blood of Chinese. Sixty-five percent of the export trade of Japan goes to Great Britain and America, so the major responsibility for the support of this war lies on these two countries. If they withdraw their economic support of this war, then it collapses.

Mr. Speaker, this is the reason for this resolution; I want to see this war collapse; I want peace; and we can forego any commerce we lose, any dollars that get away from us, if we can stop war.

The key to the stopping of this war is in the hands of Britain and America, Mr. Speaker and Members of the House; let us do our part and adopt the resolution. Mr. Speaker, Japan now wants to float a loan of \$50,000,000 in this country to buy our merchandise. Do not let any of our people loan them the money, and I hope our Government will not assist in any way in granting such a loan at this time to Japan. Let us be for peace, and let us show by our action that we mean it. Actions speak louder than words. Adopt the resolution and let us have peace—peace all over the world.

[Here the gavel fell.]

CORRECTION

Mr. SHAFER of Michigan. Mr. Speaker, on page 830 of the RECORD of January 15, at the conclusion of a statement on an amendment which I offered to the Treasury-Post Office appropriation bill, a vote is recorded in the RECORD as ayes 3, noes 42. If I recall correctly, the figures should have been ayes 33, noes 42. I ask unanimous consent that the RECORD may be corrected accordingly.

The SPEAKER. The request propounded by the gentleman from Michigan involves a matter of the integrity of the RECORD in the Committee of the Whole House on the state of the Union. Will the gentleman kindly withhold his request until the Chair can investigate the matter?

Mr. SHAFER of Michigan. Yes, Mr. Speaker.

TREASURY AND POST OFFICE APPROPRIATION BILL, 1939

Mr. LUDLOW. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8947) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1939, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8947, with Mr. GREENWOOD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Clerk will resume the reading of the bill for amendment.

The Clerk read as follows:

Expenses, Silver Purchase and Gold Reserve Acts: For salaries and expenses in the Bureau of the Mint and the mints and assay offices in connection with carrying out the provisions of the Gold Reserve Act of 1934 and the Silver Purchase Act of 1934, and any Executive orders, proclamations, and regulations issued thereunder, including not to exceed \$67,500 for personal services in the District of Columbia, supplies and materials, travel, printing, rent, equipment, and miscellaneous expenses, \$750,000.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 41, lines 6 and 7, strike out "and the Silver Purchase Act of 1934"; and in line 11 strike out "\$750,000" and insert in lieu thereof "\$632,000."

Mr. TABER. This is another amendment offered and designed to wipe out appropriations for the carrying out of the Silver Purchase Act of 1934.

We have told the story before. On Saturday afternoon I told it time and again. This means a saving to the Government of the United States of \$150,000,000 a year.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. WHITE of Idaho. By what chain of reasoning does the gentleman state that this will make a saving to the Government of the United States when the Government is making 100 percent on the purchase of this silver?

Mr. TABER. The gentleman does not understand what he is talking about.

Mr. WHITE of Idaho. I will make that clear to the gentleman when I have my own time on the floor here.

Mr. TABER. We are paying 64 cents an ounce for something that without the operation of this act would produce only 18 or 20 cents. We are piling into the Treasury a great lot of silver which we are valuing on the books of the Treasury at \$1.29 an ounce when it is worth 18 or 20 cents an ounce in the open market, without any subsidy. How anybody with any use of his mental processes could arrive at the conclusion the Government is making a profit out of this kind of operation or by keeping the books of the Treasury by act of Congress in this particular way, I cannot understand.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield further?

Mr. TABER. And if anybody else can, they have never told us.

Mr. WHITE of Idaho. The gentleman is perfectly willing to accept silver certificates for his pay that are issued on the basis of \$1.29 an ounce, redeemable in silver purchased by the Government at 64 cents an ounce. These silver certificates have the same purchasing power as any other dollar of the United States.

Mr. TABER. No; I am not. They are nothing but a promise to pay of the Government. They are legal tender, and there is no way of refusing them.

Mr. WHITE of Idaho. Is a Federal Reserve note any different?

Mr. TABER. That is different, because that is backed by something, while these silver certificates are only backed by something that is worth \$1.29 an ounce by Government legislation, and therefore you are taking a long chance when you take these silver certificates, especially if we should go on piling up a bunch of these outstanding silver certificates which are good to pay taxes and which the Government must receive for that purpose. Why we should keep on doing this is beyond any kind of honest thinking or reasoning, and I hope the committee will adopt this amendment and stop this notorious racket which is costing the Government \$150,000,000 a year.

Mr. WHITE of Idaho. Let me remind the gentleman—

Mr. TABER. I do not yield to the gentleman now.

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I rise in opposition to the amendment.

If any of you gentlemen think I am going to put up the competition this morning that I did on Saturday with the gentleman from New York, I am sorry to have to disappoint

you. He seems to get kind of rabid whenever this silver question is mentioned and I would not undertake to run competition with him along that line.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Colorado. Yes.

Mr. MURDOCK of Utah. Is there any program that is beneficial to the West on which the gentleman from New York does not get rabid?

Mr. MARTIN of Colorado. Not that I have heard of in the last 5 years, especially silver and reclamation.

The gentleman has repeated this morning the statement he made on Saturday, and it is apparently useless to tell him that instead of this silver only being worth 18 to 20 cents an ounce without this legislation, it is worth 45 cents an ounce in the world market, even after the expiration of the London agreement under which this Government was buying world silver.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield again?

Mr. MARTIN of Colorado. Yes.

Mr. MURDOCK of Utah. Is not the gentleman from New York referring to the Hoover administration when silver, in 1932, was worth 27 cents an ounce, and that is the only time it has been that low?

Mr. MARTIN of Colorado. I think that must be it. The gentleman has not gotten any closer down to date than that, not only on silver but on everything else. He has repeated this morning that this silver legislation costs \$150,000,000 a year, when the total of domestic silver purchased is only 63,000,000 ounces a year, and at 65 cents an ounce this would only amount to a little over \$40,000,000 instead of \$150,000,000, even if the silver was absolutely worthless.

When the gentleman from New York and others like-minded talk about the great cost of the Silver Purchase Act to the Treasury of the United States, they must have in mind the silver purchase totals in the Treasury table at page 13 of the hearings before the subcommittee on the appropriations on this bill. That table gives totals including purchases under the London agreement, which is now dead. It is true that according to that table, when the act went into effect on June 19, 1934, there was only 454,000,000 ounces in silver bullion held in the Treasury, which had increased to 1,819,000,000 as of October 31, 1937, the date of the statement, showing an increase of 1,365,000,000 ounces of silver. But they err if they charge this increase to the production of domestically mined silver during that 3½ years. This total in the table includes silver from all sources, some of it bought from India, Spain, Mexico, and other countries under the London agreement, some of it acquired by the payment of foreign debts to the United States in silver, as provided in the Silver Purchase Act, and some of it bought on the world market for the purpose of stabilizing the price of silver.

Now, I have not the figures at hand as to the quantity of domestically mined silver purchased by the Treasury since June 19, 1934, but perhaps the 1937 figures will give us a fair average, 63,000,000 ounces. In 3½ years the Treasury will have purchased, in round numbers, 221,000,000 ounces, which at 70 cents, which is about the mean price, would have amounted to \$155,000,000. So we see the total purchase program of domestic silver in 3½ years would only be \$155,000,000. Now it must be borne in mind that during the time the Treasury was paying 70 cents an ounce for this 221,000,000 ounces of domestically mined silver, the world market price was 45 cents an ounce, leaving a subsidy of only 25 cents, which, on the total purchase, would amount to only \$55,000,000.

When it is borne in mind that this comparatively small sum is all that domestic-silver purchase has cost the Government since the passage of the act, and that the Government has accumulated as seigniorage in the Treasury a like quantity of silver which cost it nothing, and that silver certificates have been issued to the amount of \$1,400,000,000 against the purchased silver, both foreign and domestic, and the seigniorage, which volume of circulating medium costs the Treasury nothing, we begin to see why, of all the Govern-

ment's recovery expenditures in the last 5 years, the silver program has been the least burdensome to the Treasury and the most beneficial to the monetary system of the country.

The Director of the Budget and the Secretary of the Treasury testified before the committee, but apparently it was wasted on the gentleman from New York, that the silver program was not disturbing the budgetary estimates one cent, and that this program was self-financing. Let me again read you what the Director of the Budget and the Secretary of the Treasury said to the Committee on Appropriations. Mr. TABER asked:

What funds do you use to buy silver?

Mr. BELL. We use regular Treasury Department funds to purchase silver in the first instance, but gradually those funds are replaced by silver certificates which go to the Federal Reserve bank and the Government gets credit for them.

Mr. LUDLOW. Is the silver-purchase program affecting the budgetary estimates adversely?

Secretary MORGENTHAU. No.

So there their whole argument is disposed of.

Mr. TABER. Is it not a fact that the reason it does not affect the Budget adversely is because of the statute which requires the Secretary of the Treasury to carry those silver certificates at \$1.29 as an asset, which is a false figure?

Mr. MARTIN of Colorado. The reason it does not affect the Budget is because this silver purchase is self-financing and is paid for in the first place by the silver itself and in the second place is only redeemable by itself. It is the only currency in circulation that has any redemption metal behind it. And, as I have pointed out repeatedly, these \$1,400,000,000 of silver certificates in circulation save the taxpayer \$42,000,000 a year in interest, as contrasted with forms of money, Federal Reserve notes, supported and sustained by 3-percent Government bonds. How can you blink the fact that if these certificates were not in circulation we must have instead Federal Reserve notes based on bonds?

Mr. CASE of South Dakota. Does the gentleman know of any other program that puts men to work in noncompetitive industry other than the silver and gold programs, without cost to the Government?

Mr. MARTIN of Colorado. I do not. I do not know of any aid being given by the Government to any branch of industry which brings in so great return for so little outlay as the mere pittance—and that is all it is—for silver, contrasted with what we are doing up in the billions in other directions. It amounts to only 20 cents an ounce on 63,000,000 ounces of silver, \$12,600,000 a year.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. WHITE of Idaho. Mr. Chairman, I move to strike out the last word. The opponents of silver are using a number of excuses to oppose the silver-purchasing program of the administration. They say that the silver owned by the Government is useless, that the purchase of the metal is a waste of the taxpayers' money and a needless burden on the people to pay a subsidy to the silver miners, when, as a matter of fact, what they are interested in is the collection of interest and the loss of interest payments to the bankers on the large volume of interest-free silver certificates in circulation. As I stated Saturday, this is the only monetary policy of the Federal Government on which the people of the United States are making a profit. There is now in the vaults of the Treasury a billion and a third dollars in silver and every dollar of that silver is in use as money. What these gentlemen who are opposing the administration's silver-purchase program are attempting to do is fasten a bigger interest load on the American people, which they would accomplish by discarding the interest-free silver certificate currency and replacing it with interest-yielding Federal Reserve notes. Because the silver certificates are paid out by the Treasury in buying silver bullion and in paying bills in meeting the running expenses of the Government and are now circulating in the channels of trade and business interest free, while the Federal Reserve notes which our Republican friends would circulate in place of this money must be supported as long as they circulate by interest-bearing obligations termed "eligible paper."

If our Republican friends are successful in retiring the billion and a third of silver certificates now in circulation and replacing them with Federal Reserve notes, and we compute the interest at the rate of 3 percent, which is the interest on the supporting obligations required as backing for Federal Reserve notes, the business of this country would be required to pay \$40,000,000 a year in interest to keep this new money in circulation. Is it any wonder that the bankers and their representatives are fighting silver? Is not a \$40,000,000-a-year interest income something to fight for and a sizable interest load to saddle on the people of this country?

Our Republican friends love to talk of balancing the Budget and we are hearing about that all the time from the Republican side of the House. The gentleman contends he wants to balance the Budget and yet when it comes to the only program on which the Government is making money to pay its expenses by buying silver at 64.5 cents an ounce and doubling the money by turning out silver certificates redeemable in silver dollars at \$1.29½ per ounce, our Republican friend from New York [Mr. TABER], with the support of his Republican colleagues, is moving heaven and earth to knock out this large source of cash income to the Federal Treasury and the increased profits of business from which our income tax is derived all along the line.

Some of these so-called economists object to silver because it is a rigid element in our currency system; well, I thank God that there is something rigid and stable in our monetary system so that in times of depression and distress there is cash somewhere to be had to save a little part of our accumulations as a protection for old age.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Idaho. Yes.

Mr. TABER. If potatoes were selling for 50 cents a bushel, and the Government decided that it should buy a lot and put them in the Treasury and issued certificates against them on the basis of a dollar a bushel would that make the potatoes worth any more than 50 cents?

Mr. WHITE of Idaho. I think that would be unfair to the potato growers of the country, but that is in line with what we are doing to the silver miners. We are making the silver miners dig out the money to pay the running expenses of this Congress, and if the gentleman will go to the Sergeant at Arms or a Senator go to the disbursing office and cash a check, he will find that the dollars he gets from those offices, which are almost exclusively silver certificates, have the same purchasing power as any other dollar in the United States.

Mr. CASE of South Dakota. And does not the gentleman also think that potatoes put in storage for a while would not be worth very much if money is issued against them, whereas silver always has a value?

Mr. WHITE of Idaho. I think the gentleman is entirely correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

Mr. LUDLOW. Mr. Chairman, I wish to make a few observations in opposition to the amendment.

Mr. Chairman, this is the same question that was presented several times on Saturday and passed on by the House. It is simply the question whether we shall repeal a law of Congress by indirection through depriving to the department charged with its enforcement all appropriations to carry it out. It is a most extraordinary sort of amendment. The power to execute this law is not discretionary with the Treasury, but under the Silver Purchase Act of 1934 it is mandatory; and if we take away from the Secretary the funds to carry out this act we shall find ourselves in the anomalous situation of having on the statute books a mandatory law which cannot be carried out.

The question at issue here is not the merits or the demerits of the Silver Purchase Act. That is not involved at all, although there has been a great deal of extraneous argument on its merits and demerits; the real question at issue is whether, with a mandatory law on the statute books, the department charged with its enforcement shall be deprived of the necessary funds and personnel to execute it.

Mr. MURDOCK of Utah. Mr. Chairman, those are the tactics of the gentleman from New York; he would resort to any way, fair or foul, to destroy any program that is beneficial to the Western States.

Mr. LUDLOW. I cannot agree with my friend from Utah. I think that the gentleman from New York on appropriation matters, so far as I have been associated with him, is very fair.

Mr. MURDOCK of Utah. Does the gentleman approve of this hitting under the belt that he complains of simply because it comes from the gentleman from New York?

Mr. LUDLOW. As I have indicated, I think the gentleman from New York is actuated by sincere motives, although I cannot always support him.

Mr. THOMASON of Texas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the distinguished chairman of the Subcommittee on Appropriations sounded the keynote in regard to this particular appropriation. It is obviously an effort to do by indirection what the gentleman from New York [Mr. TABER] seems to realize he cannot do by direction. If the silver-buying program is wrong, why does not the gentleman from New York bring in a bill to repeal the Silver Purchase Act? Let us fight it out on its merits. He knows he cannot do it.

This act about which there has been so much talk stabilized the price of silver. Another interesting fact in this connection also is that it does not cost the Government anything, as pointed out by our very able friend from Colorado [Mr. MARTIN]. I undertake to say that this Silver Purchase Act can be defended absolutely as a relief and emergency proposition on the very same basis upon which we have aided agriculture and almost all the different industries. I dare say that the able gentleman from New York has supported a great many of these bills for the relief of farm and dairy products, R. F. C. loans to big industry, H. O. L. C. loans to home owners, and farm-credit loans to farmers. He seems to forget, however, that 5 or 6 years ago practically every silver mine in the West was closed down, to the detriment and loss not only of the workers but also to the great damage of the operators and incidental loss to the communities. In addition to that, this is not a permanent program. It grew out of a terrible emergency. As I understand it, this silver-purchase program is not only sound financing but also a relief measure to try to help a declining industry and to provide employment.

I undertake to say that if the gentleman should succeed in striking out the money necessary to administer this act that it would result in several thousands of men going on the relief rolls in the mining sections of the West. These men are especially qualified for mining, and most of them know nothing else. Failure to support this act would mean the closing down of those mines and placing these men and their families on the relief rolls.

At the present time the mines of the West, nearly all of them, are in a sound condition. They are just beginning to get back on their feet. I cannot understand the argument of those who say that we should help all the industries of the country but the silver miners, silver this Government needs in carrying out a financial program; and it is costing the Government very little, if anything. Shall we, then, strike out the small appropriation necessary to administer the act and thereby make it ineffective?

I am inclined to agree with my friend, the gentleman from Utah [Mr. MURDOCK], that it is hitting a little below the belt. If the act is wrong, let us consider it on its merits and repeal it. If it is not repealed and is the law of the land, being administered by the President and the Secretary of the Treasury in a fair way, and so long as it provides real benefit through the employment of thousands of men who would otherwise be upon relief, we should supply the funds necessary to administer it.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. THOMASON of Texas. I yield.

Mr. WHITE of Idaho. Does not the gentleman think that an increase of \$1,000,000,000 in the circulating medium of this country is a good thing for the country?

Mr. THOMASON of Texas. I am not an expert on money problems. I do know, however, that a certain amount of silver is necessary to run the currency system of the Nation, and this program has the approval of our Treasury Department. Now, if the mines are run upon a fair basis, with not nearly the subsidy that is being paid to cotton, corn, wheat, rice, tobacco, and hog growers, and to many branches of industry, let us continue it; otherwise thousands will be thrown back onto relief. The Government does not suffer by this program. The mine owners and operators keep their mines running at a fair profit. They pay large taxes to their State and county governments. The workers have jobs and are happy and contented. There is no claim that the program is to become permanent. The emergency is still here, and this amendment should be defeated, as I am sure it will be. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 15 minutes.

The motion was agreed to.

Mr. MURDOCK of Arizona. Mr. Chairman, I ask unanimous consent to revise and extend my own remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

WHO SHALL CONTROL THE VALUE OF MONEY?

Mr. MURDOCK of Arizona. Mr. Chairman, today a bitter fight has been waged against the silver-purchase policy of the present Government by gentlemen from New York and Pennsylvania over on the other side of the aisle. Do they want to discontinue the use of silver in our coinage altogether or do they want to use it to a very limited extent only in such subsidiary coins as we must have? Evidently they would do away with all silver dollars, and certainly with all paper money consisting of silver certificates. We cannot use gold coins any more, and gold certificates are withdrawn from use, therefore we would be forced to resort to paper money, either of the bank-currency kind or of the governmental currency kind, such as greenbacks. Of course, I assume, they would not want to use such fiat money as greenbacks; therefore the only course these men would have left to resort to would be bank money of one kind or another. It is the age-old fight between the East and the West renewed.

No country on earth exhibits a more interesting monetary history than does the United States of America. In our coinage history there has been a great battle between the two precious metals—gold and silver—bimetallism and monometallism. In our currency history there has been a prolonged struggle between governmental currency and bank currency; that is, between greenbacks and bank notes. Of recent years there has been a rather insistent demand from certain quarters that we discard all kinds of paper money which we have used heretofore and use another kind entirely. I sincerely believe that those who are fighting silver today are playing into the hands of those who would discard bank money of all kinds and substitute another kind. Do the gentlemen from the great financial centers wish to bring that about?

Many mines in the West produce silver in connection with other metals. A fair price for the white metal marks the narrow margin of profit determining, in many cases, between the operation of the mine or the closing of it. Shall all of our silver mines be closed down? It has been suggested here on the floor today that silver is practically worthless except for the artificial price which the governmental purchase policy gives it. That I do not believe. In all lands silver has been considered as money since the day when Abraham used it to purchase a burial lot for his wife Sarah. Many more millions of human beings, since the flight of recorded

years began, have coveted the white metal than have paid homage to the yellow metal. All of Latin America, stretching away to the south of us in the New World—and that is the portion of the world with which we are destined to trade for a long future—and the teeming millions of Asia, worship at the shrine of silver. Is it good business to ignore their preference, or to try to convert them to something else?

There is a cry all over this country that Congress must take back the constitutional power to create money away from the banks, who have held it so long, and exercise it for the benefit of the business of all the people of the country. A continuation of the use of silver as heretofore, and a continuation of the present emphasis on silver, is satisfying to that demand. If we relegate silver to a minor role, that cry will increase in intensity until all bank currency and "bank money" of every kind will be done away with. In my judgment, those who favor bank money and credit money will do well to let "well enough alone," and cease their fight on silver. It is plainly evident to the American people that one commodity—gold—is not sufficient to serve as a basis for our money system. If the foes of silver insist that the two commodities—gold and silver—cannot be made to serve as the bases of the Nation's money, then we may have to turn to a money based on many commodities. That might be better, anyway. The people are unwilling to permit the sovereign power "to create money" to remain in the hands and control of bankers.

While I do not want to go to the extent of advocating "bi-metallism," I do sincerely believe that the volume of our money should increase in a natural way and that a policy providing for a varying use of silver, which metal has a natural limit due to its scarcity and cost of production, will be a better natural regulator of price than could be furnished us by any banking board. The people fear control over such a vital matter as money by any board whether it be private or governmental, but more especially, if it be private. I certainly do not believe it to be a dangerous policy of inflation to continue our present silver-purchase plan. Therefore, I trust that this legislation now before us providing for that continuation will be passed and not defeated. [Applause.]

Mr. MURDOCK of Utah. Mr. Chairman, I dislike to take the time of the Committee in opposing an amendment which, I think, has not the slightest chance to prevail; but I am constrained to do so by reason of the fact I would like to know what the policy of the gentleman from New York and some other gentlemen on the Republican side is with reference to the great western part of the United States. When it comes to reclamation, they are against it. When it comes to anything that will benefit our mines, they are against that. Mr. Chairman, they would rather pay interest every day in the week out of the taxpayers' money to issue bonds and buy gold at \$35 an ounce, this gold being largely produced in foreign countries, than to buy the silver of the West at a profit to the Government of the United States of 100 percent on each and every ounce purchased.

The gentleman says that in purchasing silver we are creating a liability rather than an asset. Let us see if we are doing that. In order to get \$1.29, the monetary value of an ounce of silver, what does the miner of the West have to do? He has to bring in two ounces of silver and deposit it with the Treasury. When he redeems his \$1.29, he only gets 1 ounce of silver back. So the Government has an additional ounce of silver after redeeming every \$1.29 that is issued against it.

Let us take the gentleman's figure of 20 cents an ounce, which is absurd, and did not prevail at any time, even under the Republican administration of Herbert Hoover, when it reached the low point of 27 cents. Let us assume that the Government sells its silver after redeeming the money that is issued against it at 20 cents an ounce. It is then making a profit of at least 20 cents on every 2 ounces of silver purchased.

Mr. Chairman, I desire to call the attention of the Committee to another item. We have for the past several days

listened to speeches by the gentleman from New York and other Members on the Republican side against the Silver Purchase Act of 1934, which they refer to as a great subsidy to the silver-mining industry. The only way the Silver Purchase Act is involved in this present legislation is that this bill carries the appropriations necessary for the administration of the act, and the gentleman from New York and other Members on the Republican side are adopting this unfair method of attempting to scuttle the Silver Purchase Act by eliminating appropriations necessary for its administration, rather than by the direct method of introducing a bill to repeal the act.

Time and time again they have referred to what they call a subsidy to the silver-mining industry of the West, and just as often have been answered by Democrats on this side of the aisle that the Silver Purchase Act in no way provides a subsidy to the silver-mining industry; but that it provides the only method under present law of getting money into circulation, into the hands of the people, to which there is not attached an interest charge. My Democratic colleagues on this side of the aisle have time and time again, during this debate, shown conclusively the fact that under the present price of silver, established recently by the President, the Government makes a profit of 100 percent on every ounce of silver domestically produced and purchased by the Treasury. On the question of a subsidy in the case of silver, let me now point out to you the only subsidy I know of pertaining to that metal. This subsidy has to do with the manufacturing of silverware in all its forms, and we find that the only silver manufacturing in the United States, consisting of the manufacture of silver plate, sterling silver, and all other silverware for table use, for jewelry, and for decorative purposes, is located in the New England States, in New York, and in Pennsylvania.

We find that in order to subsidize the silver manufacturers of this country a high tariff prevails, running from 45 percent to 65 percent ad valorem on all foreign imports to protect the domestic markets and to maintain a high price for all silver manufactured and fabricated by the silver manufacturers of New England, New York, and Pennsylvania. We never hear the gentleman from New York or his colleague from Pennsylvania, on the Republican side, call the attention of the committee to this subsidy. This, of course, has their blessing, and if any attempt were made to eradicate it, their wailings could be heard from one end of the Capitol to the other. But we should not forget that when the western miners, the cotton growers from the South, the farmers from the Middle West, and the laborers from every other section of the United States purchase any article of silverware they must pay to the manufacturers of silverware products manufactured in New England, New York, and Pennsylvania the high prices resulting from the high protective tariffs I have spoken of. Neither should we forget that every ounce of silver that goes into the silver manufacturing business is bought at the world market price. So that if there is any subsidy to any part of the United States in connection with silver, it is the subsidy paid to the silver manufacturers of the gentleman's State of New York and New England and Pennsylvania, and not to the silver miners of the West.

On every other manufactured article from New York, Pennsylvania, and New England we find protection in the way of high tariffs, and there is no question in the mind of anyone on either side of the aisle but what tariff protection is a subsidy to the industry protected and paid out of the pockets of the taxpayers of America. I do not arise in opposition to the tariff on silverware, nor to the necessary tariff on any other American-produced article; but I do deplore the fact that whenever the West asks anything to protect its mining, its livestock, on any appropriations for reclamation, which, by the way, are always reimbursable, we can depend on the opposition of the gentleman from New York and others on the Republican side of the aisle.

The committee hearings in connection with the Silver Purchase Act are replete with statements from the Secretary of

the Treasury that the Silver Purchase Act in no way affects the budgetary policy of the administration; that it is profitable to the Treasury, and we find the Secretary of the Treasury pointing out that the entire cost to the Government in 1937 for the administration of the Silver Purchase Act amounted to \$286,761; that the taxes collected on speculative profits on silver provided by the Silver Purchase Act amounted to \$633,712, or a net profit to the Government of \$346,951 on this tax item alone.

Mr. Chairman, the only way that the United States Government could incur a loss under the Silver Purchase Act would be for it to imprudently and unwisely commence a dumping of silver onto the world market. This, of course, will never be done. On the other hand, if the Secretary of the Treasury would follow the clear mandate of the Silver Purchase Act to continue to purchase silver until one-fourth the value of our metal monetary reserves is represented in silver, or until the price reached \$1.29 an ounce, he would do more to stimulate farm prices, to bring back industry to normal production, to raise wages and the standard of living in America than any other act this Government could take.

I have only 5 minutes today to address you, and, of course, I realize the impossibility of presenting the silver issue to you at this time as it should be presented. I hope at a later date, when I can get sufficient time, to make a complete presentation of the silver question to the House of Representatives as I understand it.

Before closing let me add this one statement which cannot be denied: That the silver certificates issued in the past and now being issued under the Silver Purchase Act of 1934 are the only money in circulation today in the United States that is not created out of debt. As stated before, it is the only money in the United States today on which bankers are not collecting interest. Of course, I must assume from the statements made by the gentleman from New York opposing the Silver Purchase Act that he must be representing the interests of these great bankers who are opposed to any money being in circulation unless they are assured of their tribute in the form of interest. And I congratulate him on the splendid representation he is giving in his attempted protection of these banking interests. I am confident that this amendment will be voted down, and I am depending on my Democratic colleagues on this side of the aisle to defeat it.

[Here the gavel fell.]

GOLD AND SILVER PRICES ARE MATTERS OF COMMON WELFARE AND SHOULD NOT BE PARTISAN

Mr. CASE of South Dakota. Mr. Chairman, I take the floor because I do not want the RECORD to show that the only words spoken here in behalf of the mining West have been spoken by members of the Democratic Party. I want to assure everyone here today that the Republicans who live in States in which mining is conducted believe as thoroughly in helping mining as in helping any other industry or activity. We go further. We hold that encouragement of gold and silver mining hurts nobody, pays its way, and returns real profits to the Treasury.

Mr. WHITE of Idaho. Will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Is it not a fact that whenever a vote has been taken on any of these measures the Republicans to a man have stood up against the Silver Act?

Mr. CASE of South Dakota. That is not correct, because I have not.

Mr. WHITE of Idaho. The gentleman is the one exception.

Mr. CASE of South Dakota. I happen to be the one Republican from a mining State on the floor at this time. The point which we people who live where gold and silver is mined appreciate is that when men are put to work mining silver or gold they are not engaging in a competitive industry. When you extend and encourage the mining of silver and gold you do not have to adopt any so-called "dairy" amendments to prevent stepping on somebody's toes, because

you are putting men to work in a noncompetitive industry and producing new wealth.

When the price of gold was advanced from \$20.67 to \$35 a great many people thought that had been done simply as an arbitrary act; but the fact is the daily quotations on gold in the London market will show that gold was already selling for more than \$20.67 in the open market.

DEMAND RAISED THE PRICE OF GOLD

As a matter of fact, when we first established the embargo in this country on the shipment of gold abroad it was because of that fact. The miners of this country could send their gold to London and other countries and get more than they could at home. Gold was leaving the country. So an embargo was invoked.

The establishment of that embargo cost the mining men of the West many million dollars before the situation was corrected. Gold was selling abroad at from \$28 to \$30 an ounce. But our miners were forced to sell at \$20.67 if they sold at all. It was an intolerable situation. Finally the Government offered to pay the world market price for newly mined gold delivered to the mint. That was all right for the company with large production, but it was tough on the little fellow who did not have mint-sized shipments. Finally, we did the natural and sensible thing and offered a price that was competitive with the London market, which was then around \$33.75 and \$34.50 an ounce. We offered \$35.

Now, it was not any one man's idea that made gold worth that much; it was the demand for gold. And the fact is that since the United States pegged the price of gold at \$35, the open or world market price on gold has, on different occasions, gone above that price when you take into consideration shipping and exchange costs.

Some of my friends talk about returning to the gold standard. Personally, I believe that when you get down to brass tacks and try to say what a dollar is worth, you will find that a dollar is still measured in a certain number of grains of gold, so that we are really on a gold standard although the goldless nations are trying to get along without gold and having a hard time of it. Look at the cabinet crisis in France today. All because they lack gold to support the franc.

Things will not be right in France or in the world until we have international monetary stabilization on a hard-money basis. And when that time comes, you will find gold is valued at not \$35 an ounce but more than that.

Mr. WHITE of Idaho. Will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Is it not a fact that the law of supply and demand fixed the price of gold, and when the Government of the United States raised the price to \$35 it did that to adjust its price to the world price?

Mr. CASE of South Dakota. Yes. Certainly. If we were to establish an open market in this country today the price would not go back to \$20.67 an ounce—not unless the world goes mad; not unless human nature changes overnight. Oh, a country may issue money or managed currency simply on a faith basis, but what happens when that country gets into an international crisis? The only thing it can use in international exchange then is gold or silver.

Why did Japan ship \$75,000,000 in gold to San Francisco some weeks ago? So she could get war supplies, of course. Who would sell to her on scrip or paper yen?

HARD MONEY SPEAKS INTERNATIONAL LANGUAGE

King Tut put gold in his tomb. King Solomon overlaid the choice parts of his temple with gold. The wise men brought gifts of gold, frankincense, and myrrh to the young Christ child. When Cortez and Pizarro invaded the temples of the Aztecs and the Incas in the New World they looked for and found gold.

Gold has been man's measure of value through the ages. Gold speaks an international language.

This is what gives gold an inextinguishable value. I do not say I am in favor of buying gold from abroad and

burying it in a vault in Kentucky. Instead of sterilizing gold we should utilize it. I do not think we should try to be King Midas and turn everything into gold, but I do know that if we have gold and need to buy something abroad we can offer the gold, and gold will talk.

This is why gold has a value you cannot destroy by legislative fiat or declaration or whatever you may do by any law we may pass.

The program to buy silver has not cost the Government anything in dollars or cents. Silver bought at 64½ cents is not expensive when it becomes \$1.29 in the Treasury. As I brought out by my question to the gentleman from Idaho a while ago, this is one program which is self-financing, which puts people to work, and does not hurt any person. If you want to do something for the West you will continue to provide that the Government can continue a silver-purchase program.

Perhaps it should be limited to domestic silver. Perhaps the gold program should be revised in the same way. I am not saying we should buy foreign-mined gold under present conditions, but at least, let us pay as much for gold mined in this country as miners anywhere else in the world can get.

Mr. DIRKSEN. Will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Illinois.

Mr. DIRKSEN. Can the gentleman point to a single benefit which has accrued under the Silver Purchase Act of 1934, outside of the drain on the Treasury?

Mr. CASE of South Dakota. The fact it has put men to work without costing the Government one cent. That is a direct benefit.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Does not the gentleman believe obtaining \$1,300,000,000 in currency interest free to this country transcends any benefit extended to the miners?

Mr. CASE of South Dakota. This is an additional benefit. And it is the big benefit. Contract the currency of the country by that much, go back to \$20.67 for gold, and the cry from the price-crippled corn and hog farmers will startle the gentleman from Illinois.

Mr. WHITE of Idaho. The Government by reason of its sovereign powers when it coins money from silver is putting more money aside.

Mr. DIRKSEN. If the act puts men to work, is it the purpose of the administration to put men to work in Peru, Canada, and Mexico, where we are buying virtually all the silver produced today?

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 8, noes 50.

So the amendment was rejected.

Mr. McCLELLAN. Mr. Chairman, I ask unanimous consent to return to page 39 for the purpose of considering an amendment I wish to offer.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. McCLELLAN: On page 39, after line 11, insert a new title and paragraph, as follows:

"Public Health Service, Division of Venereal Diseases: For the purpose of continuing the operation and maintenance of the Hot Springs Transient Medical Center Infirmary, located at Hot Springs National Park, Ark., \$180,000."

Mr. LUDLOW. Mr. Chairman, I reserve a point of order against the amendment, but I will withhold the point of order until the gentleman from Arkansas has completed his statement.

Mr. McCLELLAN. Mr. Chairman, last Friday I spoke on this amendment and announced that at the proper time I would offer it to this bill. Through inadvertence, I handed the wrong amendment to the reporter and it was printed in the RECORD instead of the one I am now offering.

May I ask that you turn to page 557 of the CONGRESSIONAL RECORD of last Friday and look at the tables which I had inserted. In my remarks of that date I gave full and accurate information regarding the purposes for which I am asking this appropriation. May I say again this is not a new governmental expenditure. In 1933 the Government established in Hot Springs National Park, Ark., a transient medical center and infirmary for the treatment of people who come to the Government's free bathhouse in Hot Springs for the purpose of receiving treatment for infectious diseases. These people come there in a helpless and pitiful condition. The Government has set up this camp to provide domiciliary care for them while they are there being cured of these diseases.

You will notice from the table I have referred to in the RECORD that these people come from all States of the Union. They are not our people from Arkansas, but they are your people, coming to an institution set up by your Government to give them relief and cure them of a disease which is infectious and spreading throughout the country. They are your people and your citizens. You will observe that the State of Texas sent more people there last year than did Arkansas. Large numbers came from many other States.

This service must be continued. It is the intention of the Government to continue it. We ask this appropriation now. Last year the same appropriation was made in the third deficiency appropriation bill. At the time the appropriation was sought, the Budget was consulted about the matter and no objection was made because of the need for this relief. At the suggestion of the Treasury Department I have introduced a bill which will make this a regular appropriation each year, authorizing an annual appropriation for this purpose.

There is no doubt that the measure should have approval. The only question is, Shall we grant the appropriation now in this bill, where it rightfully belongs, or must I come back some time later and ask for it in a deficiency appropriation bill?

Last year I presented this matter as forcefully as I knew how. The facts were given to the Committee of the Whole; and after seeing the sentiment of the Members, the Committee withdrew their objection and let the amendment pass, and an appropriation was passed authorizing the President of the United States to make an allocation out of unexpended balances in relief funds then existing up to the amount of \$200,000. The President, after considering the matter, did make an allocation of \$180,000. Therefore, this matter is not something which I alone believe ought to be done, not some scheme of mine to get some special consideration for my district, but an effort on my part to have the Congress take care of a situation the Congress has previously created by establishing free bathhouses for these people in the city of Hot Springs, Ark. This is the Government's responsibility, for it involves the American people, your community and my community as well. As far as I can see, we may just as well settle the question now, at this point in the bill. Let us have the appropriation needed. This is not just something guessed at or proposed inadvisedly. Read the hearings. I believe you will find this at page 556, although I may not remember the exact page.

Mr. DUNN. Mr. Chairman, will the gentleman yield?

Mr. McCLELLAN. I yield.

Mr. DUNN. Is it the fact that your State has not discriminated against anybody?

Mr. McCLELLAN. No; every State in the Union is accorded the same privileges.

I hope the committee will withdraw and not insist on a point of order, and let the appropriation be made now, rather than at a later date this session.

Mr. LUDLOW. Mr. Chairman, I make the point of order against the amendment that it is not authorized by existing law, and in doing so I would like to compliment the gentleman on the splendid fight he has made for his local community and for his very able presentation of his case, but this would be an irregular proceeding. This is a relief proposition, provided out of relief money this year and is a matter that should be considered in that connection. There is no Budget estimate for it. It is not an appropriation for a public work in progress but is for food and clothing almost entirely. It has not a proper place in this bill.

The gentleman will have every opportunity to present it later in connection with the deficiency bill when, probably, a Budget estimate will be before us, and without any prejudice to the merit of the proposition, I make the point of order, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Arkansas care to be heard on the point of order?

Mr. McCLELLAN. I was hoping, of course, the point of order would not be made. It may be that a point of order will lie against the amendment, but this is an appropriation authorizing the Treasury Department with the supervision of the Board of Health to make this expenditure. It is being expended now under the Health Service and this makes no change in the existing practice.

The CHAIRMAN. The Chair would like to ask the gentleman from Arkansas if there has been an authorization heretofore passed with reference to this project?

Mr. McCLELLAN. Nothing but a relief appropriation, but a bill is now pending for that purpose.

The CHAIRMAN. The Chair is ready to rule.

The Chair sustains the point of order because it is legislation on an appropriation bill, there having been no authorization act heretofore passed.

Mr. McCLELLAN. Mr. Chairman, I offer another amendment, which I send to the Clerk's desk.

Mr. LUDLOW. Mr. Chairman, with great regret I shall have to object to this procedure, because the gentleman has not received consent to offer any such amendment.

The CHAIRMAN. Is the amendment offered to the same paragraph to which the gentleman from Arkansas asked unanimous consent to return?

Mr. McCLELLAN. No; it is to the preceding paragraph.

The CHAIRMAN. The gentleman would have to ask unanimous consent to offer an amendment to that paragraph at this time.

Mr. McCLELLAN. Then, Mr. Chairman, I ask unanimous consent to offer an amendment to the paragraph indicated.

Mr. LUDLOW. I reserve the right to object, Mr. Chairman, until I know what the amendment is. I have no objection to the amendment being read.

The Clerk read as follows:

Amendment offered by McCLELLAN: On page 38, at the end of line 13, strike out the period, insert a semicolon, and add the following: "Provided, That not in excess of \$180,000 of this appropriation may be used and expended for the purpose of continuing the operation and maintenance of the Hot Springs Transient Medical Center Infirmary, located at Hot Springs National Park, Ark., under the supervision and control of the Public Health Service of the Treasury Department."

Mr. LUDLOW. Mr. Chairman, I make the same point of order against this amendment I made against the other. The same proposition is involved.

The CHAIRMAN. The Chair sustains the point of order for the reason heretofore stated, that it is legislation on an appropriation bill.

The Clerk read as follows:

Repair, preservation, and equipment, public buildings: For repairs, alterations, improvement, and preservation of completed Federal buildings (including Marcus Hook), the grounds and approaches thereof, wharves, and piers, together with the necessary dredging adjacent thereto, and care and safeguarding, not otherwise provided for, of sites acquired for Federal buildings, including tools and materials for the use of the custodial and mechanical force, wire partitions and insect screens, installation and repair of mechanical equipment, gas, and electric-light fixtures, conduits, wiring, platform scales, and tower clocks; vaults and

lockbox equipment in all buildings under construction or completed, and for necessary safe equipments in buildings under the administration of the Treasury Department, including repairs thereto, and changes in, maintenance of, and repairs to the pneumatic-tube system in New York City installed under franchise of the city of New York, approved June 29, 1909, and June 11, 1928, and the payment of any obligations arising thereunder in accordance with the provisions of the acts approved August 5, 1909 (36 Stat. 120), and May 15, 1928 (45 Stat. 533), \$2,750,000: *Provided*, That the appropriation herein made shall not be available for the payment of personal services, except for work done under contract, or for temporary job labor under exigency in an amount not to exceed \$100 at one time at any one building: *Provided further*, That the total expenditures for the fiscal year for the repair and preservation of buildings not reserved by the vendors on sites acquired for buildings or the enlargement of buildings and the installation and repair of the mechanical equipment thereof shall not exceed 20 percent of the annual rental of such buildings.

Mr. CROWE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time concerning a matter which comes before the Procurement Division of the Treasury Department, the extension or the annex to the Government Printing Office.

We find that in 1935 this matter was before the House and again in 1937. We find that under the Procurement Division of the Treasury Department for the last 2 or 3 years they have been making a study and survey of the Government Printing Office annex. The Procurement Division of the Treasury Department has gone to a lot of expense, as they do in connection with all buildings of this kind, in making surveys of what is best and as well as the best way to handle all such buildings erected in the District of Columbia. Skilled architects and designers of buildings have drawn plans for this Government Printing Office annex and twice before this, this matter has been before Congress. The expense incurred by delay and necessitating additional plans and specifications, would no doubt amount to more than any possible addition of a stone exterior over the cost of brick. We also find that in the year 1936 another Commission of the Government, which was organized in the year 1910, the Commission of Fine Arts, also gave its approval to this structure which was to be along the lines that were projected in the year 1936 which specifications called for a stone exterior.

With all due respect to members of the committee, I feel that, after all, when they set up an arm of the Government like the Procurement Division of the Treasury Department and a commission like the Commission of Fine Arts, with men who have been there for 20 or 25 years, we should give due consideration to their recommendations when we are building the city of Washington, D. C. They are planning it along the lines originally planned by George Washington and L'Enfant more than 100 years ago. So I feel that when we take such matters out of their hands and put them into the hands of someone else, or when we destroy a program that has been laid down, we are making a mistake. It costs no more, and in the long haul costs less, to build well than to attempt to economize with such false economy—economy at the spigot and waste at the bung-hole.

I think under the Procurement Division of the Treasury Department, with Admiral C. J. Peoples and his splendid corps of assistants, Messrs. Reynolds, Melick, Martin, Dunning, and others, you will get a program, all in all, that will make this city one of the most beautiful capitals in the world, and this will be done at a small expense when compared to what they accomplish. Accordingly, when we reach the proper place, I shall move to strike out a certain proviso on page 47.

Nearly 100 years ago some very splendid buildings were constructed in Washington, D. C., among them the Treasury Department Building; it is nearly 100 years old, faced with stone. No one would dare suggest the demolition of that grand structure.

I submit it is false economy—rather, it is assuredly waste—to construct buildings in the Nation's Capital of inferior

materials which in a few years will become eyesores in this beautiful city and soon thereafter be razed.

Let us not scrap the work of the very faithful corps of men in the Treasury, Division of Procurement, in their very splendid work for the city of Washington.

I yield back the remainder of my time.

Mr. THOMPSON of Illinois. Mr. Chairman, I rise in opposition to the pro forma amendment. May I ask the chairman of the subcommittee what is meant by the language on lines 5, 6, and 7, page 43, with reference to winding up the affairs of the United States Housing Corporation? I always thought the Housing Corporation was in the Department of Labor.

Mr. LUDLOW. The liquidation of it has been transferred and some property still remains to be liquidated.

Mr. THOMPSON of Illinois. Was it transferred by legislative enactment or by Executive order?

Mr. LUDLOW. By Executive order. This is wartime housing, and it was transferred by Executive order.

Mr. THOMPSON of Illinois. I realize that, but in my district the United States Housing Corporation erected three or four projects, and there are still some claims pending against it, matters that have not been adjudicated. There is still some property owned by the Corporation in my district, and there are still some claims arising from various sources, and I wonder if my people will be forestalled by this process of liquidation?

Mr. LUDLOW. This particular matter has been under the Treasury Department for several years, under the Procurement Division. I am sure the gentleman's constituents will not be foreclosed. I suggest that he take the matter up with the Procurement Division.

Mr. BINDERUP. Mr. Chairman, I move to strike out the last word. Within a few days and at the proper time and place I desire to submit a unanimous consent request that within the next week or 10 days, at such time as is agreeable with those in charge of the daily program for the House, I may be allowed to address the House for 1 hour in order that I might explain the fundamental plan contained in H. R. 8585, a bill providing for governmental monetary control, having for its chief features the plan of distribution and for accelerating the velocity of money. Today, however, I desire merely to make a brief explanation, by way of calling attention to the bill, and to refer to the charts that have been placed in the lobby this morning to remain for 3 days, for which privilege I am deeply grateful. These charts deal with the relation of our monetary system, to our economic conditions, and are in explanation of the plan contained in H. R. 8585. H. R. 8585 is a bill providing for Government control of our monetary system, a bill to restore to Congress its constitutional power and authority, as well as its constitutional duty. I wish also to refer to the motive, the reason, the necessity for the introduction of this bill, which, as I have stated, is a bill (H. R. 8585) to restore to Congress the sole power to issue money and to regulate its value as provided in article I, section 8, of the Constitution of the United States; to restore full employment and production; to prevent inflation and depression; and to provide a stable currency.

There has developed in the method of conducting commercial banks in the United States the custom of lending the private credit of such institutions under the pretense of lending money.

Such credit, transferable from one depositor to another upon the books of the bank or through clearing houses or otherwise to books of other banks upon the check or order of the borrower or subsequent depositor is now generally accepted in payment of debts. The said practice in fact provides an uncontrolled and privately coined circulating medium of exchange which performs substantially every monetary function in violation of and practical nullification of article I, section 8, of the Constitution of the United States, which vests in Congress the sole power to issue the money of the Nation and regulate its value.

This practice places in private hands, and deprives Congress of, the economic control of the Nation, and confers upon certain individuals an unfair advantage over their fellow men, through which they may and do acquire unearned wealth to the end that the product of labor and genius is consecutively concentrated in the hands of the few who have this unfair advantage, in violation of the fundamental principles upon which this Nation is founded.

In effect there is no difference between the issue of this uncontrolled credit and the unsound and thoroughly discredited wildcat bank notes of our earlier history.

The uncontrolled alternate expansion and contraction of this synthetic medium of exchange induces recurrent periods of uncontrolled and disorganizing inflation, invariably followed by disastrous periods of equally uncontrolled deflation, bankruptcy, and distress.

To overcome this unfair situation, in order to restore to Congress the sole power to issue money and to regulate its value, and to promote and control the economic welfare of the Nation to the end that unemployment and poverty may forever be eliminated, and full and profitable employment and production, and continued and uninterrupted prosperity be restored to the people of these United States, the bill (H. R. 8585) is a bill for Government monetary control.

It amplifies the velocity of our money supply by creating a purchasing and consuming power at the bottom, among the ill-fed, ill-clad, and ill-housed portion of our population, in exactly the same proportion and in the same degree as money expansion takes place, thus avoiding any possible inflation.

It establishes the plan whereby banks become merely the custodian of demand bank deposits, thereby preventing the banks from minting and unminting our money supply; thus avoiding booms and depressions, bankers' inflation and deflation. It reestablishes the constitutional provision that "Congress shall have power to coin—issue—all money and regulate the value thereof."

It establishes, for the first time in the history of civilization, a measure of value that measures all values, for the purpose of equitable exchange, the same yesterday, today, and tomorrow; a dollar with the same purchasing and debt-paying power a year or a generation hence that it has today; that definitely protects the creditor as well as the debtor.

It creates a lasting prosperity by reestablishing and maintaining the great American market for American goods and American services.

It provides for the increase of our national income to \$108,000,000,000 in the first 18 months of its operation by increasing the purchasing and consuming power in and among the lower-income group, and thereafter an annual increase of national income of from 8 to 12 percent—governed by the ceiling of prices, based on the average of 1926, at 100 percent—to keep pace with the physical increase of all commodities; increased business and new industries, based on 25 years' statistics, including increased population—1,000,000 yearly average—increased prices to 1926 level; money exported to foreign countries; money lost or used in the arts.

It recognizes that our needed yearly increase in money supply must be earned and forced in circulation from the bottom and up, rather than being bribed or coaxed into circulation from the top and down through mortgages and interest charges on a people who have been depleted of equities by money monopoly and man-made booms and depressions. It positively prohibits a ransom being extracted from the people for the creation of their own money.

It provides for liquidation of the entire national debt without taxing the people and without the issuing of a dollar by the Government or the creation of a single bankers' printing-press dollar, but by a simple switching of credits, exactly the same plan used by the big banks when they bought our Uncle Sam's bonds.

It takes away from the trusts their greatest instrument of monopoly—by taking away from the banks the power of money creation.

It makes the smallest bank as safe as the largest bank, eliminating entirely any argument for the dangerous chain-banking system.

It prevents bank failures by automatically insuring demand deposits, 100 percent, free of charge to the banks and free of expense to the Government, leaving only the slight risk on time deposits for the Federal Deposit Insurance Corporation.

It balances the Budget automatically. It makes Uncle Sam a creditor in place of a debtor; a lender in place of a borrower; a master of finance in place of a servant; the guardian of his own soul; the captain of his destiny.

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the pro forma amendment. As I might not have an opportunity to get recognition when the amendment or point of order is offered which means an increase of possibly over \$300,000 in the end for the Government Printing Office buildings, I wish to say I think it is a mistake when the Fine Arts Commission extends its activities to the other side of Union Station and tries to tell us that we should construct a stone structure there at an additional cost of money when a brick structure will be absolutely sufficient. The location is right alongside the railroad yards where there is much smoke, and if you do put up a stone structure it will be but a short time before it will be affected by the smoke. Then, again, if you construct this building of stone in a short time you will have a request to face the old building and warehouse with stone, and that is where your \$300,000 or more comes in. History tells us that will happen. It always happens. "Make the adjoining buildings conform to the new structure," will be the cry. If this building was in the Mall I would agree with the gentleman from Indiana, but remember it is blocks away from the Mall.

The Fine Arts Commission has been responsible for the most beautiful Government buildings in the world in Washington. I am not complaining now, the job is about done, but I do think they could have constructed the buildings, left off a great deal of the gingerbread, unnecessary trimmings, and it would not have cost the taxpayers quite so much money. Take the Archives Building. That building represents a cost to the American public of \$13,500,000. Every building in the Mall has Indiana limestone from the district of the gentleman who is to make the motion.

This annex to the Government Printing Office is north of the Mall; it is north of Union Station; it is north of the city post office, and there is absolutely no sound reason why it should be a stone or marble structure. I realize it is the Representative of the district that produces this building material who is asking that the bill be changed to permit the use of this product. I presume that, as they see it, is their duty to their constituents. Some of us owe something to our taxpayers. I call attention to the new post office in the city of St. Louis, my home city, that pays a large amount of taxes to the Federal Government. While the front is of stone, the back of the building is of brick. It is being constructed at the present time. It, too, is alongside of a union station, where you get the smoke and dirt of the railroad district. I insist we must let this limit of cost on the Government Printing Office remain as it is. I repeat, if we keep this language in the bill, we shall, in my opinion, save the taxpayers of this country approximately \$300,000.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. STEFAN. Does the gentleman mean to say that the difference in cost between facing the building with brick and facing it with stone is \$300,000?

Mr. COCHRAN. Various estimates have been given. There is supposed to be a limit to the amount of money to be expended for this building. If we make this a stone building, then we will be compelled to reface the present building and warehouse with stone.

Mr. STEFAN. But the limit of cost will have to be raised to come within the provisions of this bill.

Mr. COCHRAN. Yes, if this proviso which the gentleman from Indiana [Mr. Crowe] is opposed to is stricken out.

[Here the gavel fell.]

By unanimous consent, the pro forma amendment was withdrawn.

The Clerk read as follows:

Government Printing Office, annex buildings, Washington, D. C.: For continuation of construction of annex buildings for the Government Printing Office, \$2,500,000; and the limit of cost for this project is hereby increased from \$5,885,000, as authorized in the Second Deficiency Appropriation Act, fiscal year 1935, approved August 12, 1935, to \$7,000,000: *Provided*, That the character of the exterior construction material for annex building No. 3 shall be that contemplated in the original cost estimates for such project.

Mr. CROWE. Mr. Chairman, I make a point of order against the proviso on page 47, beginning with the word "*Provided*", in line 14, and extending to the end of line 17, that it clearly is legislation on an appropriation bill under the provisions of clause 2 of rule XXI.

Mr. TABER. Mr. Chairman, I make a point of order against the paragraph.

The CHAIRMAN. Does the gentleman from Indiana care to be heard on the point of order?

Mr. CROWE. Nothing further than to state it.

Mr. O'NEAL of Kentucky. Mr. Chairman, I desire to be heard on the point of order raised by the gentleman from Indiana.

The CHAIRMAN. The Chair will hear the gentleman from Kentucky.

Mr. O'NEAL of Kentucky. Mr. Chairman, this proviso merely seeks to reduce the expenditure and is in reality, therefore, a limitation on an appropriation bill and falls within the rule.

Mr. CROWE. Mr. Chairman, if the gentleman will permit an interruption, there is nothing about the language, as I see it, that limits or reduces expenditures.

Mr. O'NEAL of Kentucky. It is a limitation.

The CHAIRMAN. The Chair is ready to rule.

The gentleman from Indiana [Mr. Crowe] makes the point of order that the following language on page 47 of the bill—

Provided, That the character of the exterior construction material for annex building No. 3 shall be that contemplated in the original cost estimates for such project—

Is legislation on an appropriation bill.

For this proviso is legislation and to be in order it would be necessary to show that it would effect an economy or a retrenchment. This not being shown, the Chair is therefore of the opinion that the proviso is subject to the point of order.

The Chair sustains the point of order.

The gentleman from New York having made a point of order against the entire paragraph, and the point of order being sustained against a part thereof, the paragraph is stricken out.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last two words for the purpose of making an observation.

In reference to the Chair's ruling on the point of order made by the gentleman from Indiana [Mr. Crowe], as I understood the Chair he stated it was necessary to show that a saving would be created. That, of course, would bring the proviso within the Holman rule. As evidence it will create a saving, I submit the language of the gentleman from Indiana [Mr. Crowe], who made the point of order, when he admitted to me not less than 5 minutes ago that the increase in cost would not exceed \$80,000. I insisted it would cost \$300,000, because if the Fine Arts Commission proposal is carried out then you must go across the street to the old building and put stone in the front of that building and you must also go to the warehouse, which is built of concrete, and put stone in the front of that building. The gentleman from Indiana [Mr. Crowe] admitted to me that the ultimate cost would not be over \$80,000. When he makes the admission it will cost at least \$80,000 more I submit that should have been sufficient evidence of a saving and, there-

fore, the limitation in the bill did, in my opinion, conform to the Holman rule.

Mr. CROWE. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Indiana.

Mr. CROWE. I said the most that anyone suggested was \$80,000. I did not admit anything. The gentleman is mistaken when he said I admitted \$80,000.

Mr. COCHRAN. How much will it cost?

Mr. CROWE. I do not know that it will cost any more.

Mr. COCHRAN. Then why not leave it as it is?

Mr. CROWE. Because, under the specifications, you confine it to brick and there is no discretion given to the Procurement Division of the Treasury Department. Its hands are tied and it may cost more to build with brick than with stone.

[Here the gavel fell.]

The Clerk read as follows:

MISCELLANEOUS ITEMS, TREASURY DEPARTMENT
AMERICAN PRINTING HOUSE FOR THE BLIND

To enable the American Printing House for the Blind more adequately to provide books and apparatus for the education of the blind in accordance with the provisions of the act approved February 8, 1927 (20 U. S. C. 101), \$115,000.

Mr. TABER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 52, after line 12, insert a new paragraph, as follows:

"No part of the funds appropriated in this act shall be used for the purposes of paying any employee engaged in carrying out any of the provisions of the Silver Purchase Act of 1934, Public, No. 438, Seventy-third Congress, approved June 19, 1934; and none of the funds appropriated in this act shall be used for the paying of any other expenses incidental to carrying out the provisions or purposes of said act."

Mr. TABER. Mr. Chairman, this is the last of a series of amendments we have offered to the pending bill to wipe out the operations of the Silver Purchase Act. My amendment is a direct limitation affecting every appropriation in the bill which might be used in any way for the purpose of carrying out the provisions of the Silver Purchase Act of 1934.

Many people say this is getting at it the wrong end to, that we should pass legislation repealing this act; but I call attention to the fact the legislative situation is such that the only way to get at it is by this method. This matter is drawing attention all over the country. I hold in my hand an editorial from the St. Louis Post Dispatch in which it is stated:

The opposition of Secretary of the Treasury Morgenthau to the exorbitant subsidy being paid domestic silver producers, revealed in the publication yesterday of his testimony before the House Appropriations Subcommittee, is not surprising. It is in line with the generally sane view he has evinced in fiscal matters. The fact that his reply to the query as to his stand on the silver subsidy was couched in the general language, "I am opposed to all subsidies of any kind," merely makes the answer more emphatic.

From this we deduce that the administration's recent action in decreasing the price the Government pays for domestically mined silver (but still keeping it high enough to constitute a subsidy of nearly 50 percent) does not go far enough to satisfy Mr. Morgenthau. Nor does it go far enough to satisfy any other disinterested citizen. As a member of the appropriations subcommittee suggested, there is no reason why the producers of silver, any more than the producers of any other commodity, should be the recipients of such a princely favor.

Mr. Chairman, we face a responsibility as Members of Congress. That this responsibility has been avoided by the Budget in submitting the pending bill to the Congress, and that it has failed to save money for the Treasury where it could have saved money is no excuse for us. This operation costs millions and millions of dollars, and it will not be long before a situation will arise where the entire financial structure of the country will crumble as a result of this continuously piling up \$150,000,000 a year of Treasury liability against a few million dollars of assets.

Will not the House today meet its responsibility and agree to the amendment which will put an absolute and complete stop to this silver-purchase business?

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I move that all debate on this paragraph and all amendments close in 10 minutes.

The motion was agreed to.

Mr. MARTIN of Colorado. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. TABER].

Mr. Chairman, I confess I am greatly relieved that this appears to be the last round-up. I was somewhat oppressed by the feeling that this had resolved itself into an endurance contest as to who is the biggest pest in the House—the gentleman from New York or myself. So far as I am concerned, I am for the gentleman from New York.

Mr. CULKIN. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from New York.

Mr. CULKIN. Does not the gentleman consider himself disqualified to pass upon that question?

Mr. MARTIN of Colorado. I admit I expect I could qualify to contest the gentleman from New York for the honor, but I withdraw.

Mr. Chairman, the amendment just offered by the gentleman from New York is in pursuance of a course the gentleman set out upon last Saturday, that as every item came along in the Treasury bill in which he could ascertain that any amount, no matter how small, of the appropriation was to be used in paying for expenditures under the Silver Purchase Act, he would move to strike it out. But there have been two things about his argument I cannot understand in the face of known facts.

I cannot understand why he continues to say that silver on the open market without this legislation would only be worth 18 to 20 cents an ounce when, as a matter of fact, without any support it stands today in the world market, with the international agreement which was entered into at London dead, at 45 cents an ounce.

Mr. WHITE of Idaho. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Does the gentleman know that the English Government has recommended a duty of 20 cents an ounce on silver in order to keep foreign silver out of competition with Indian silver?

Mr. MARTIN of Colorado. I understand so, and I thank the gentleman for his contribution. It shows that England is protecting Indian silver.

The gentleman repeatedly harps on this imaginary 18 or 20 cents an ounce. Even under the administration of his party, when everything hit bottom, it only got down to 27 cents.

Every time he has taken the floor in this debate he has reiterated this policy is costing the Treasury \$150,000,000 a year.

I have pointed out repeatedly, and I point out again, that the total purchases of domestic silver last year amounted to only 63,000,000 ounces, and at 65 cents an ounce, and the price is set at a fraction less than that for 1938, the total sum involved would be only approximately \$40,000,000. In other words, if silver were worth absolutely nothing and the Government bought 63,000,000 ounces at 64½ cents an ounce, it would cost only \$40,000,000 instead of \$150,000,000.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. The \$40,000,000 which the gentleman mentioned as the sum paid for silver would not equal the amount of interest business would have to pay on the Federal Reserve notes which would replace the billion and a third of silver certificates in circulation.

Mr. MARTIN of Colorado. What the gentleman from Idaho states is true. It has been pointed out here repeatedly, but apparently in vain, that the \$1,400,000,000 of silver certificates in circulation amount to one-third of all the currency now circulating in the United States. If this silver

currency were based on Government bonds paying interest at 3 percent, it would cost the taxpayers of this country \$42,000,000 a year. This \$42,000,000 a year saving on bond interest more than covers the total expense to the Government involved in the domestic silver purchase program, even if the metal were worthless, whereas it is worth two-thirds of the purchase price on the world market.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I ask unanimous consent that, after the gentleman from Pennsylvania [Mr. DITTER], to whom I am going to yield, has completed his statement, which will consume all the time, I, as chairman of the subcommittee, may be permitted to address the committee for 2 minutes.

The CHAIRMAN (Mr. THOMPSON of Illinois). The gentleman from Indiana asks unanimous consent that at the conclusion of the statement of the gentleman from Pennsylvania, the time for debate on this paragraph may be extended 2 minutes. Is there objection?

Mr. WHITE of Idaho. Mr. Chairman, I ask unanimous consent that the time may be extended 5 minutes, in order that I may have 3 minutes of the time.

The CHAIRMAN. The gentleman from Idaho asks unanimous consent that the time may be extended 5 minutes. Is there objection?

Mr. WOLCOTT. Mr. Chairman, reserving the right to object, I ask unanimous consent that the time may be extended 10 minutes in order that I may have 4 minutes of the time.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the time may be extended 10 minutes. Is there objection?

Mr. LUDLOW. Mr. Chairman, the time on this bill is rather short, and we are trying to get through with the bill. I believe I shall have to object.

The CHAIRMAN. Objection is heard.

Mr. DITTER. Mr. Chairman, as I listened to the effort of the silver bloc to defend its program, it has occurred to me that there is as much substantiality to their argument as there was to a certain Irishman and his pay envelope, of whom I recently heard. Michael died, his widow was mourning the loss of her husband, and telling her friends how much she would miss him. Said Bridget, "Oh, how I will miss Michael. I will miss him on Monday night and I will miss him on Tuesday night." Then a sob was interjected, and said she, "I will miss him on Wednesday night. But, oh, how I will miss him on Friday night. We have been married for 24 years, and there has never been a Friday night during all the 24 years that Mike did not bring home his pay envelope and put it there on the bureau. God knows," she said, "there was never anything in it, but it was the principle of the thing."

I submit to you silverites on the other side there is as much real soundness to the argument you have been giving the committee during the last few days as there was substantiality to Mike's pay envelope. There was never anything in it. There is nothing in the argument you have advanced.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I cannot yield.

An effort has been made to show that opposition to this silver-purchase program comes from the Republican side. I submit, Mr. Chairman, that an examination of the hearings discloses that the distinguished chairman of the subcommittee has little faith in this silver-purchase program. I read from page 16 of the hearings, where he is referring to the substantiality and the soundness of the silver-purchase program. I quote:

Mr. LUDLOW. Is there any more reason why we should do this than to subsidize Idaho potatoes or Georgia peaches?

I am appealing to the Georgia peach men here today, and to the Idaho potato men. I wonder whether potatoes and peaches are getting out of this subsidy program what silver is getting out of it. How about the Idaho potato men? Are

you getting the rakeoff for your potatoes that silver is getting? Then, how about those splendid peaches? My, a Georgia peach is something worth while. All of you men know how luscious a Georgia peach is. Just imagine getting hold of an honest to goodness Georgia peach. It just makes my mouth water to think about it. Do the growers of these juicy, luscious peaches hope to get as much of a rakeoff out of the Federal Government as the hard-silver producers? The silvermen get more by far than the peach men can hope to get. Compare hard silver with a luscious Georgia peach. I invite your attention to what the Secretary of the Treasury said about silver subsidies. He is a Democrat, not a Republican. He is not one of those on this side of the aisle. He is one of your Democrats. Listen as I read what he said of silver in the hearings, "I am opposed to all subsidies of any kind." This includes silver. It means that today Mr. Morgenthau opposes the silver subsidy just as positively as we do. Do not say to us on the Republican side we will not be able to elect any Republican Congressmen, because we are opposing a Democratic measure. We are opposing the same kind of a measure your own Secretary of the Treasury is opposing. We are trying to bring to the attention of the country this rakeoff of 19 cents an ounce for every ounce of silver purchased. We are trying to show the country this whole program is unsound. We know and you know it is unsound and without merit. I plead with you today for support, not for our program, but for the program of your Democratic Secretary of the Treasury, against a continuity of this preposterous, unsound, and indefensible silver-purchase program. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I ask unanimous consent to address the Committee for 2 minutes.

Mr. WHITE of Idaho. Mr. Chairman, I ask unanimous consent that the time be extended to 5 minutes, as was my original request.

Mr. LUDLOW. Then, Mr. Chairman, I withdraw the request and ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 19, noes 39.

So the amendment was rejected.

The Clerk read as follows:

Contingent expenses, Post Office Department.

Mr. MEAD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, a perusal of the RECORD of the other day would indicate that some of the members of the committee have a wrong conception of the philosophy back of this great service Department of the Government. They have in my judgment a wrong conception of the practical situation before us, looking at it from a business standpoint.

We are asking private enterprise to create work, and while we have a tremendous volume of it here available in the form of postal services, we are abolishing jobs. I am going to ask you in the consideration of the postal sections that are to follow to treat this service not as a big spending bureau, but as a service agency. I want you to realize that this service meets its costs, and that it is unfair to penalize the employees of this Department in an attempt to force them to assume losses resulting from nonpostal activities.

I believe if we look at this purely from the business standpoint we will not only increase the revenues and the volume of business of this great Department, but we will at the same time, and without the extravagant appropriation of funds, create work, raise labor standards, provide opportunities for the substitutes in the service, and give to the postal patrons a real, high type of service for which the Department has been noted in the past.

If you will refer to the RECORD, you will find that this conception evidently has missed the minds of some of the Members of the House. They are attempting to reduce the costs without impairment of the service, and this cannot be done.

On page 460 of the RECORD of Thursday last, the chairman of the subcommittee, in answer to the gentleman from Wisconsin [Mr. GEHRMANN], said:

We cut the Budget estimate deeply, as the gentleman understands, but it was necessary to grant some increases on account of the manifest fact that the mails are expanding and increasing.

Yes, they cut the Budget estimate three and a half million dollars, and the Budget cut the recommendations of the experts in the Postal Service \$20,000,000, making a total of twenty-three and a half million dollars under what the authorities of the Postal Service said they required.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. MEAD. Yes.

[Here the gavel fell.]

Mr. MEAD. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LUDLOW. I am sure the gentleman does not want to be misunderstood. I was absolutely accurate when I said we cut the Budget estimate deeply, but we did not cut the Budget estimate on personal services. The cuts were in other items. The gentleman conveyed the intimation, I take it, we cut them on personal service, which is not accurate, and I am sure the gentleman does not want to make an inaccurate statement.

Mr. MEAD. If the gentleman will look at the record, he will find that the hardest and most severe cuts were levied on personal services rather than on contractual services. The personal services in the Post Office Department amount to 80 percent of its appropriation, and you could not cut the contractual services because they are fixed, and therefore it was the employees who suffered, and it was the substitute employees who suffered most.

Now, what happened as a result of these cuts? Impairment of the service; and here is the testimony. We find in the RECORD, on page 463, this statement:

Mr. MICHENER. I think the gentleman's territory must be exceptional, because it has been the policy of the Post Office Department in the last 3 years, in many cities and in towns where there is city- and village-delivery service, to reduce the number of deliveries.

This is personal service.

Then following, on the same page, we find this statement from Mr. DONDERO:

I have had numerous complaints in my district.

Then, again, on page 463, we find this statement from Mr. TABER of the subcommittee:

I know in my own home community all business people have ceased attempting to wait for the delivery of mail, but go to the post office to get it.

This may be because of curtailed train service, but that is another complaint.

Then on page 464, Mr. SAUTHOFF has this to say:

In looking over the committee print I notice there is a reduction in the appropriations for the Star Route Service, the Railway Mail Service, and the Rural Delivery Service.

Is that personal service? I think it is.

Then in referring to the statement of Mr. GEHRMANN, Mr. SAUTHOFF said:

He mentioned that at the same time cuts are made in the appropriations for these services an increase is given the office of the Postmaster General.

There was no increase in the office of the First Assistant Postmaster General, but I may say to you that the RECORD is replete with cuts and complaints, and this bears out the statement that some of us have a wrong conception of this service, and for 5 years, before that drastic order of the Budget that made it compelling upon the experts of the Department to find out the attitude of the Budget before they came before the Congress, there was always an appropriation in excess of the personnel requirements of the postal service.

For the last few years, however, less money than they needed has been appropriated. I do not blame the distin-

guished gentleman from Indiana [Mr. LUDLOW], who is the chairman of the subcommittee, but the record indicates that the personnel services of the Department are impoverished.

Here is the testimony in the record. It goes on to say, in effect:

We cannot appoint another clerk with the appropriation you have provided; we won't be able to appoint another carrier with the money that you have given us; we cannot extend the air-mail service another mile.

That is the evidence, that is the record, that is what you will find in the hearings. I want the members of the Committee to know that I have patiently watched the progress of this appropriation, and this Budget system, and the activities of the Congress in the last 4 or 5 years, and while I do not want to fix responsibility onto any one individual, I rather attribute it as a system. I say it is not the Department's fault, because the record is filled with evidence from the experts in the Department that they cannot get along and give service on the meager funds appropriated. I wager that many Members of this House are answering complaints from their districts about proposed reductions or of a possible impairment of some necessary service all because of a lack of money to carry on. [Applause.]

Mr. RICH. Mr. Chairman, I rise in opposition. I am very much interested in our friend, the chairman of the Committee on the Post Office and Post Roads, the gentleman from New York [Mr. MEAD], and what he is doing to try to get all the money he can for the Post Office Department to spend. It seems to me that probably the Postmaster General has got the gentleman from New York well trained in trying to get funds, while he runs around over the country making political speeches. I call the attention of the chairman of the Post Office Committee to the fact that we are appropriating \$780,604,514, an increase of \$4,954,571 over last year. The amount of money you collected last year was \$726,000,000. Is it ever going to be possible for the House of Representatives to try to run the Post Office Department on a paying basis? Why do we not appropriate what we receive and put business methods in this Department? Last year the Department was \$88,316,000 in the red, and this year it is \$47,000,000 in the red, notwithstanding the fact that you have cut down your subsidies and have increased, since Mr. Farley has been Postmaster General, the revenues to the extent of \$90,000,000 by a 3-cent postage rate. Still you are in the red each year to the amount of these fabulous sums. I suggest the chairman of the Committee on the Post Office and Post Roads get up and say to the House of Representatives, "We want to find out where the trouble lies; we want to increase the service to the people and try to have the Post Office Department balance its budget." It can be done if they will only use good business methods in the transactions of the Post Office Department. There is no mistake about that. It can be done if you have a man at the head of the Department who would say to the Department and to this committee, "We want to balance the Post Office budget." What you should do is to increase the revenues in some places where they are inefficient to carry on the affairs of the Post Office Department. Do not tax bread to run the Post Office Department. Then you can have an efficient method established for every branch of the Post Office Department, and if they would do that they would accomplish something. Instead of that the gentleman always comes in here and says, "We are under the Budget estimate," as if that were an accomplishment. Gracious goodness, that Budget Director will never come to the point where we can balance the budget of the Post Office Department or any other department. His estimates are all too high.

I warn gentlemen that every appropriation bill which has been presented to the Congress up to this time this year has been a great increase, and if you will investigate the Treasury statement you will find that we are going in the red this year to the extent of over a billion and a half dollars, notwithstanding the fact the President has told us that he is going to balance the Budget this year. Now he comes in and says that the deficit will be over a billion dollars. It will be

a billion and a half dollars before the end of the year. We have Members of Congress going out over the country and saying, "Build more post offices." It is proposed to build a post office in my little town and spend \$75,000 for the purpose, when that is one of the most ridiculous things that could happen. If the Postmaster General tries to put up a building for a new post office in my town of Woolrich, I give you warning that we do not want it, and if men in other districts would get up and do something of this kind we would save a lot of money in the cost of operating this Post Office Department, because it costs from 300 to 1,000 percent more in every instance to operate a new post office than you could rent a post office for in these towns. That is one way to save post-office expenses and there are many, many others.

Mr. MEAD. The gentleman wants good postal service, does he not?

Mr. RICH. Yes; and we have good postal service in Woolrich, and we are giving you as good an administration under a Democratic postmaster, Mr. Charles J. Johnston, as has ever occurred. The Post Office Department is making 300 percent on the operation of the Woolrich post office, and I want to see you do that in all offices, but if you would build a new building, you would lose all your profit.

Mr. MEAD. We want that service all over the country.

Mr. RICH. But you are not going at it in the right way to accomplish it. If you ask for all of these expenditures and you do not try to make your income meet your outgo, you will not get any place. The chairman [Mr. MEAD] is a dandy fellow, Mr. Chairman.

Mr. MEAD. And so is the gentleman from Pennsylvania.

Mr. RICH. But he had better get some business into this Post Office Department. And I know he can do it if he only will. Let us have the Post Office Department balance its own budget and not be a drain on the Federal Treasury; that is my object in these remarks; it can be accomplished if we just say the word. Will we do it?

Mr. MEAD. The Budget report, as appears from the table on page 18 of the committee report, shows that we shall have a surplus of \$33,000,000 for the year this appropriation becomes effective.

Mr. RICH. From all indications, receipts will decline, and you are going to lose more revenue next year in proportion than you did this year, and this year you are \$47,000,000 in the red.

Mr. MEAD. Do not let the fear motive dampen your spirit, Bob.

Mr. RICH. Well, JIM MEAD, let me tell you this: You have got to get more business into the Post Office Department; make your revenues at least equal your expenditures.

Mr. MEAD. And if you want business you have got to expand the Post Office Department.

Mr. RICH. Let the Postmaster General attend to postal business instead of running around making political speeches.

Mr. JOHNSON of Minnesota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Buffalo is right and the gentleman from Pennsylvania is wrong. He accuses Jim Farley of traveling over the country espousing the building of more post offices. I remember well about 5 years ago, when the Budget included an item for the purchase of an automobile with a high top so that Republican Postmaster General Brown could sit in the automobile without taking off his high silk hat. [Laughter.]

Also, if the gentleman from Pennsylvania wants foolish economy, why does he not espouse the cause of striking out free delivery, especially of the small county newspapers? I am not for that proposition, however, for the one thing that keeps the small county newspaper going is free delivery within the county. Why not strike that out, I ask the gentleman from Pennsylvania? That is a privilege that is given to newspapers and magazines in the country.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Minnesota. I yield.

Mr. RICH. If the gentleman wants to effect savings in the Postal Establishment, let him use his efforts toward the adoption of businesslike methods in the operation of the Post Office Department. That will help balance the Budget, at least of the Post Office Department.

Mr. BETTER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Minnesota. I yield.

Mr. BETTER. Did the gentleman from Pennsylvania give the same advice and make the same recommendations to Postmaster General Brown that he is giving and making at this time?

Mr. RICH. If Mr. Brown were the Postmaster General now I most certainly would make them to him.

Mr. JOHNSON of Minnesota. Many new post offices have been built to meet the expanding needs of business. One thing we need is a real mail service; it is one thing that is indispensable; and one thing that we really have today is a democratic mail service, guaranteeing the free flow of the mails in the United States.

I think the gentleman from Buffalo, Mr. MEAD, is the greatest student of the mail service that we have in this House, and he has been in the House long enough to know his business. I would like to see the Members follow the policy he outlined rather than to follow the foolhardy, economic recommendations of the gentleman from Pennsylvania, especially when the gentleman from Pennsylvania tries to duplicate the efforts of the Hoover and Coolidge administrations to economize so much that they plunged the country into a mad dance of economic death.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Minnesota. I yield.

Mr. RICH. If the gentleman's party does not follow the things I am advocating I make the prophecy that you will wreck this country and worse. I hope the gentleman lives long enough to see the result of such a policy—it would not take long to find out—passing our great debt on to our children because we have not the ability to pay our own way, a sorry situation to find ourselves in.

Mr. JOHNSON of Minnesota. Mr. Chairman, the gentleman hollered every day of the last session about the Budget, and the only result of that we got was the recession.

Mr. RICH. Yes; the gentleman means the Democratic depression.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto do now close. The motion was agreed to.

By unanimous consent, the pro forma amendment was withdrawn.

The Clerk read as follows:

OFFICE OF CHIEF INSPECTOR

Salaries of inspectors: For salaries of 15 inspectors in charge of divisions and 595 inspectors, \$2,271,500.

Mr. LUECKE of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LUECKE of Michigan: On page 56, lines 13 and 14, after the words "divisions and", strike out "595 inspectors, \$2,271,500" and insert in lieu thereof the following: "605 inspectors, \$2,297,500."

Mr. LUECKE of Michigan. Mr. Chairman, if the history of this piece of legislation were followed from the time it left the Bureau of the Budget until it reached the floor of the House it would be found that the Budget originally recommended 40 additional inspectors. The committee cut that down to 10. My amendment proposes to make the increase to 20; in other words, it is a compromise between the Bureau of the Budget and the committee.

Let me point out to the Members of the House that the post-office inspectors constitute one of the most important groups of men in the Postal Establishment. The huge building program that has been undertaken requires that the post-office inspectors oversee those projects insofar as they relate to post offices. These men go into every nook and

corner of the United States. When it is remembered that there are only 585 inspectors to cover this country and perform all the numerous duties required of them, it must be admitted that the number is not sufficient.

The force should be expanded and these additional inspectors allowed so that the Department can operate efficiently.

The post-office inspectors look after the details of running this Service from one corner of the country to the other. They make their reports. They cover fraudulent use of the mails. During the past year the reports show that each inspector covered and finished the investigation of 192 cases in a year. That is a big job, yet the committee proposes to reduce the number even further. As the chairman of the Committee on the Post Office and Post Roads said, if we are to keep this Department up to its high efficiency we cannot take away the foundation. How can the Postmaster General, or the executive of any other kind of business be efficient when he has not the men at his disposal whom he can send out and say, "Make this investigation here; make that investigation there"? So let us correct the wrongs and bring the service up to a further point of efficiency.

Mr. Chairman, in my opinion, there is such a thing as common-sense economy and there is such a thing as false economy. I believe that this is one instance in which the committee has made a mistake. We should allow the additional expenditure as recommended by the Bureau of the Budget. We all know that the Budget Bureau is doing everything it can to balance the Budget at this time, and I think it would be the proper thing to at least go along with its recommendation. It seems to me we would be going too far to slash the very heart out of this appropriation, which would almost eliminate the recommendations of the Department and Bureau of the Budget.

POST-OFFICE INSPECTORS

From page 19 of the committee's report:

The Budget estimates requested an increase in the post-office inspection force comprising 5 new positions of assistant inspector in charge and 35 additional inspectors, with increases in the amounts for traveling expenses.

The committee recommends the addition of 10 inspectors, but has disallowed entirely the 5 new positions of assistant inspector in charge. The addition of 10 inspectors brings the force up to 610, including the 15 inspectors in charge.

Let me quote to you from the hearings before the Appropriations Committee, pages 418 and 419.

Mr. Aldrich, the chief inspector, in testifying before the committee, said:

The present officers of the Post Office Department are doing their utmost to conduct the Postal Service with the strictest economy and at the same time meet the needs of the people. To accomplish this requires investigations by post-office inspectors, but the number of inspectors is insufficient to make the requisite inquiries and to meet the just demands of the public.

Postal Service appropriations total nearly \$800,000,000. More than a quarter of a million regular classified employees are engaged in rendering varied services affecting the daily life of every citizen. Success in administering this enterprise and safeguarding the \$4,000,000,000 handled annually in post offices requires investigations to obtain dependable information concerning the condition and needs of the Service and to make sure that the policies of the Congress and the Department are complied with.

It is for this reason that the estimate provides for an increase of 40 in the number of inspectors. This will enable the Department to give a better postal service at less cost. The comparatively small expenditures in this item can be offset by much greater savings made through them in other items, and criminality now costing the Government and the public immense money losses can be curbed.

INCREASE IN WORK DONE AND IN ARREARAGES

Pages 418 and 419 of hearings:

Mr. ALDRICH. In 1937, with 575 investigators, 110,000 cases were completed, an average per man of 192 cases. Notwithstanding this increase in production, the number of cases uncompleted at the end of the year had risen to 28,800, an average of 50 cases per man.

Stated in terms of percentages, the volume of work to be done increased 27.9 percent, while the manpower increased by 9.5 percent (1937).

Were our force to be increased in the same proportion as the work increased, it would be necessary to have 686 men instead of the 640 which this Budget estimate proposes; 686 men would enable

us to handle the present volume of work, but it would not be sufficient to make any reduction in the existing arrearage.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan.

As a subcommittee we recognize the importance of the inspection service, but we feel we have dealt very liberally with that service. In 1936 we allowed 15 additional inspectors. In 1937 we allowed 37 additional inspectors, and in 1938 we allowed 10 additional inspectors. This bill provides for 10 additional inspectors in 1939. This is a total of 70 additional inspectors in 3 years. The number that we have allowed this year will bring the inspection force up to 610, a very sizable force.

The additional 20 inspectors provided by the gentleman's amendment would place an annual increased charge on the Treasury of \$52,000. I think we have been liberal in allowing half of this accretion.

I hope in the interest of economy this amendment will be voted down.

Mr. Chairman, I move that all debate on this amendment do now close.

The question was taken; and on a division (demanded by Mr. O'NEAL of Kentucky) there were—ayes 6, noes 32.

So the motion was rejected.

Mr. MEAD. Mr. Chairman, I rise in support of the amendment.

I do not want to take all the time to which I am entitled in connection with this amendment, but I do want to say that unless we have an adequate force of inspectors it will be difficult to execute the big building program because of the added work necessary in the acquirement of sites and the work in connection with the construction of these projects.

The Budget, after giving the matter close scrutiny, allowed for this item an amount equal to \$73,500 more than the committee allowed.

The committee only cut the item \$73,500 as it pertains to the inspectors, and it cut \$40,000 from the item for traveling expenses. Then the committee cut \$4,150 from the Budget estimate for clerks at division headquarters. Therefore the annual increment of \$100, which by law is given to the apprentice employee as he advances through the grades, will not be permitted under the appropriation. In other words, the appropriation makes it necessary to violate these automatic increases as provided by law. The clerks at headquarters will not be given these automatic increases, and I therefore trust the amendment offered by the distinguished gentleman from Michigan will be agreed to.

Mr. O'NEAL of Kentucky. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I call the attention of the committee to what we are going to face this afternoon in connection with the consideration of the pending bill. There is not a member of the committee that went over this bill who would not like to give every cent that will be requested by the amendments to be offered. There is not a man on this committee who has not friends and acquaintances in the postal service at home for whom he would like to show his interest. All of us on the committee are as much interested in the Postal Service as any gentleman on the floor of the House. All of us commend the zeal of the gentleman from New York, but after all, Mr. Chairman, the question is whether we are going to allow in the Postal Service and in the many other branches of the Government all the good things possible that money can buy. The arguments that are being made here apply not only to the Postal Service but to every other branch. We could have allowed increases in the Internal Revenue Division. That department produces revenue. We could have allowed an increase in the Customs Service and all the way down the line.

We believe the Committee on Appropriations should look carefully into every item. Where an appropriation is good business, we should allow it, but where a reasonable economy can be effected and where the Government can be assisted in balancing the Budget, we should not hesitate to say so. On

the item before us with reference to inspectors, within the last 4 years 70 new inspectors have been allowed in connection with the vast program of building in this country. However, this building program is now largely over. In this bill we have increased the number of inspectors and have allowed over \$26,000 more than was in the appropriation bill of last year. It is up to this Committee to say whether we are going to stand for reasonable, logical, and sound economies with reasonable cuts or whether we are going to go along and give every dollar asked whenever someone can make a sentimental appeal. We have tried to do this job from the standpoint of good business and of taking care of the men properly. I believe this committee should be supported in appropriating in this one item the amount we have allowed, which is an increase, and I believe any amendment which further increases the number should be defeated.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL of Kentucky. I yield with pleasure to the gentleman from Indiana.

Mr. LUDLOW. Is it not true the reduction in the building program has released a very considerable number of inspectors for other service?

Mr. O'NEAL of Kentucky. There is no question about it. All of you know that in the vast building program we have carried on inspectors were very much needed, but this program is largely completed and these inspectors can be used in other service. We believe that with the additional number the committee has allowed there are sufficient inspectors to take care of the Postal Department in every reasonable way, and we ask that the Committee defeat the amendment.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL of Kentucky. I yield to the gentleman from New York.

Mr. BEITER. I have great respect for the gentleman's judgment, but in the gentleman's statement he said allowance has been made for 70 additional inspectors.

Mr. O'NEAL of Kentucky. Within the last 4 years, was the statement.

Mr. BEITER. And the gentleman states the travel pay allowance has been cut \$40,000.

Mr. O'NEAL of Kentucky. If you have fewer inspectors there is less travel pay. You do not cut the travel pay of those you retain.

Mr. BEITER. I understood the gentleman to say the number of inspectors had been increased by 70 during the last 4 years, yet the travel pay is cut \$40,000.

Mr. O'NEAL of Kentucky. I was referring to this estimate. In this bill we have increased the number, but the travel pay has gone down below the estimate.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. LUECKE].

The question was taken; and on a division (demanded by Mr. LUECKE of Michigan) there were—ayes 50, noes 10.

Mr. LUDLOW. Mr. Chairman, I demand tellers.

Tellers were refused.

Mr. O'NEAL of Kentucky. Mr. Chairman, I object to the vote on the ground a quorum is not present, and make the point of order a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and eight Members are present, a quorum.

So the amendment was agreed to.

The Clerk read as follows:

Clerks, division headquarters: For compensation of 194 clerks at division headquarters of post-office inspectors, \$475,850.

Mr. ROMJUE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROMJUE: On page 57, line 8, after the words "of post-office inspectors", strike out "\$475,850" and insert in lieu thereof "\$479,850."

Mr. ROMJUE. Mr. Chairman, I want to explain this amendment briefly.

In the first place, we now have a law which provides for automatic promotions. The sum allowed here lacks \$4,000 of being sufficient to take care of the automatic promotions.

These clerks who are automatically entitled to promotion under the existing law are in the division headquarters, under the supervision of inspectors. Their work is largely with these inspectors in investigating violation of the laws of this country. I need not tell you how important it is that the criminals of this country be captured; neither need I tell you of the valuable work the postal employees who work with and under these postal inspectors are doing in aid of the Department of Justice of this Government in bringing about the capture of many criminals throughout the country. This is very important work, and these men are invaluable to the inspectors. For in the handling of the mails, we read almost daily of the capture of criminal after criminal through this process. At this time of all times we can least afford to cripple any kind of investigation which leads to the capture of criminals. These two points are the vital points in this amendment.

It so happens I have no division headquarters in my district, so the remarks made by the gentleman from Kentucky [Mr. O'NEAL] a few moments ago, could have no application to me.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. ROMJUE. I yield to the gentleman from New York.

Mr. BEITER. I understand in one recent case alone in New York City an amount was involved which would more than offset the \$4,000 increase which the gentleman has asked in his amendment.

Mr. ROMJUE. I thank the gentleman; he is correct and there are scores of similar cases. It takes just \$4,000 to provide for and meet the requirements of these automatic promotions which have been created and provided by law. If this Government wastes no more money than is wasted in ferreting out and capturing criminals our record of economy in this country will have no justified criticism.

Mr. TABER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, just a minute or two ago the Committee adopted an amendment indicating a desire to go beyond the needs of the Post Office Department without any justification whatever for it. Let me give you the facts on this proposition. In the year 1937 the actual expenditure under this appropriation was \$439,768. The amount carried in the bill without any amendment is an increase of \$36,000 above the actual expenditures for the year ending June 30, 1937. We have gone into the situation carefully. At the present time, with this same appropriation for the current year, there is impounded in the Treasury by Executive order \$10,000. I do not believe this amount will have to be touched in any way whatever.

I hope the Committee in considering these appropriations will try to do something to promote economy and not run absolutely wild and beyond any possible reason or need. I hope the amendment will be defeated and that the Committee will stand somewhere for economy.

Mr. LUDLOW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, no employee whatever will be deprived of any automatic promotion. Under the appropriation we have provided everyone entitled to it will receive his promotion under the law. In 1937 there was a balance of \$25,000 in this appropriation.

There is ample money here to pay all the personnel of this office, and unless we have started out on a campaign of boosting salaries in appropriation bills beyond the necessities of the service, we should vote this amendment down. I am as anxious as any man here that Government employees shall receive good salaries and the automatic promotions due them. All of the employees affected by this item are well taken care of by this appropriation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. MEAD) there were—ayes 32, noes 33.

So the amendment was rejected.

The Clerk read as follows:

Clerks, first- and second-class post offices: For compensation to clerks and employees at first- and second-class post offices, including auxiliary clerk hire at summer and winter post offices, printers, mechanics, skilled laborers, watchmen, messengers, laborers, and substitutes, \$198,000,000.

Mr. MEAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEAD: On page 58, in line 18, after the word "substitutes", strike out "\$198,000,000" and insert in lieu thereof "\$199,000,000."

Mr. MEAD. Mr. Chairman, a while ago I stated I made no complaint of the treatment accorded the Department by this committee. I said the difficulty that besets the proper operation of the Postal Service is in the system. I pointed out that in the last 3 or 4 years less money than was needed for personal service had been appropriated. Prior to that time a surplus was appropriated, and there was always enough money left to turn some back to the Treasury.

Here is the order I talked about that gags the experts in the Department to a very marked degree in presenting the information needed in connection with postal activities. It states in part:

Before any person in his official capacity as officer or employee of any executive department or agency appears before any committee of the Congress he shall, if time permits, ascertain the relationship, upon the advice of the Bureau of the Budget, of such legislation to the program of the President.

As a result of this order insufficient information is given out, and these appropriation bills are only given to us the day before they are to be considered in the House. As a result of this continued impoverishment of the Service, the service is being cut down, regulars are being surplusd, vacancies canceled, and substitutes are not given enough money to keep body and soul together.

Here is what Mr. Donaldson said on page 79 of the hearings, carrying out the statement I just made about the change of policy:

We have in the past 3 or 4 years kept the force down to the minimum by working more substitutes than we were really justified in working.

In other words, they have these poor devils working as substitutes 2 or 3 years after they ought to be regulars, and the only reason they do this is because we do not provide enough money for them to give regular appointments. They save money on these men because all they give them is 55 cents an hour, work them 40 hours or more if they want to, and then deprive them of the sick leave and vacation pay that the law enacted by Congress intended they should have. I am not asking for the amount of money in this amendment that the Department wants, but I am asking that the estimate O. K.'d by the Budget be restored.

Here is another alarming order that was just issued by the Department, altogether due to this impoverishment of the Service:

No distribution of city mail shall be taken up or its frequency of such distribution increased without the approval of the Department. Distribution of city mail is primarily for the purpose of advancing delivery through stations and carriers.

And this order stops the distribution and some delivery of that mail "on trains arriving on Saturdays after 1 p. m. up to 2 a. m. on Monday."

This is just an example of the many pinch-penny regulations and orders that you men are complaining about all the time which are the result of the impoverishment of the Service by this committee. This Department cannot tolerate the policy that has been adopted during the last 3 or 4 years much longer and survive.

I protest the laws being violated. These regulars ought to be given what was intended by the law, and these substitutes ought to be treated like human beings. They are not given such treatment now and have not been given such treatment for the last 2 or 3 years, and, for one, I will not allow this treatment to be continued. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment.

The subcommittee of which I have the honor to be chairman is composed of seven Members of this House, good, honorable Members, five Democrats and two Republicans. We have worked very hard and very conscientiously, day after day, and week after week, listening to the incessant requests for appropriations by the Departments, and then appraising these requests. We believe we are entitled, through faithful and devoted service, to the consideration of this House. We believe that we know, perhaps, more about the details of these different matters than other gentlemen who have gone into the subject only casually, because it has been our business, under the obligation we owe the House, to go into these matters intensively. We know many factors, both on and off the record, that enter into this equation that others cannot know, because we have devoted our exclusive attention to these matters for many weeks, and we plead with you to give faith and credence to our findings in connection with these appropriations.

There is one thing I may say to the Democratic Members of the House. I want to present the picture to you as I see it. I do not desire to inject any partisan note into this situation, but our President, as the great leader of our party, has outlined a program of reasonable economy in the administration of Government affairs.

We believe that by and large it is the sentiment not only of the Democratic Members of the House, but of the Republican Members as well, that in this day of national economic stress and depression the President's policy of economy is a wise policy, and these estimates that are given here are the President's estimates. They are not ours. We plead with you to help the President carry out this very necessary and vital program of economy. The gentleman from New York [Mr. MEAD] says that he wants to increase the appropriation for clerks up to the Budget estimate. He is entirely mistaken in his understanding that we have cut the Budget estimate on this item. We allow the full estimate of the Budget, which is the estimate of the President, for this appropriation. The Democratic and Republican members of this subcommittee are agreed on every item in this Post Office appropriation bill, and we are working with the President on a program of reasonable economy in the efficient and economical administration of the Post Office Department, and we hope that gentlemen of the House will stand with us and by so doing stand with the President's program. Our committee has allowed the full amount of the Budget estimates on all of the great service appropriations of the Post Office Establishment. We have protected the interest of the employees in the fullest measure and at the same time have approved and incorporated in the bill the President's wise plans for reasonable economy.

In connection with this particular item of compensation of clerks at first- and second-class post offices we have allowed here the highest appropriation of all times—\$198,000,000—which beats in size all appropriations heretofore made for that purpose. In 1936 the appropriation was \$180,000,000 and in 1930, \$184,000,000, and in 1931, both comparable years, \$182,000,000, and in 1937, on a comparable basis, \$192,000,000. We have allowed \$198,000,000, which is the full Budget estimate. We have amply provided for the needs of the Service. Do not let us go wild and pile up this appropriation beyond all reason.

Mr. KENNEY. Mr. Chairman, I move to strike out the last word. The able chairman of the Committee on the Post Office and Post Roads [Mr. MEAD] always presents his argument favorably and well and effectively. The reason he is effective, I believe, is that he is always reasonable in his position and he is reasonable now in offering his amendment. He speaks now for those who have never, in my opinion, been overpaid, but who have been underpaid over the years—the clerks in the Postal Service of the Government. I am one of those who believe that if due allowances are made for the services rendered for nonrevenue items, the Post Office Department is self-sustaining, whatever may have been said to the contrary notwithstanding. The appropriation for

clerk service should be raised \$1,000,000. That is what we will need for this service as we are spending now. The Post Office Department is spending for the service at the rate of \$199,000,000 a year.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. KENNEY. I am sorry, but I cannot yield. If we cut the amount down to the committee figure the present service will be impaired and curtailed. That will mean, as I recall the testimony before the committee, that there will very probably be but one delivery service daily in a great many residential districts. You will have complaints about the service. And we are not considering an increase of postal services that will shortly be necessary. We are launching on a new housing program. When the bill which we recently passed in the House is enacted into law it will mean an expansion of the Postal Service if there is any appreciable amount of building as we expect. The additional \$1,000,000 is required. It seems to me that we will not get along rendering satisfactory service with an expenditure of \$198,000,000.

If we are proposing by the committee's figure to effect economies, we will not bring about economy by throwing postal clerks out of work or reducing their hours and, of course, the brunt will be borne by the substitutes whose hours of employment are now restricted and limited. The chairman of the Committee on the Post Office and Post Roads has told you of the plight of the clerks in the Service. I have talked with clerks and carriers as well as rural-delivery men. Their plight in many cases is not unlike that of the custodian and his assistant in one of the post offices in my district. The custodian cannot be relieved by his assistant because the Department lacks funds to pay the assistant, or charman as he is called, except for 2 hours a day. As a result word came from the Department down through the postmaster to the custodian who has charge of the boilers that he ought to split his hours and split them so that he would work every other 2 hours during the day, go to work at 5 in the morning, go home and come back at 7, quit at 9 and come back at 11, and so on. Did you ever hear of anything like that? The assistant custodian, the charman, up there, because of lack of money, is worked only 2 hours a day, 50 cents an hour, \$1 a day. How do we expect a man who has gone through the civil-service test, who has qualified and holds himself subject to the call of the postmaster every day only to work 2 hours can long endure? This charman will not be affected by this particular amendment, but his plight applies to clerks and to carriers and I believe another amendment will be offered to carriers. I ask you not to reduce the hours of employment of the clerks and carriers. I ask that you vote for this amendment.

Mr. TABER. Mr. Chairman, just so the House may understand the matter clearly, the Committee on Appropriations did not recommend a cut in this item. The Budget recommended \$198,000,000, and that is the figure that we present to the House. It is the unanimous report of the subcommittee. Am I not correct in that?

Mr. LUDLOW. The gentleman is correct; absolutely.

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. KENNEY. Was there not testimony before the committee that the Post Office Department was spending now at the rate of \$199,000,000?

Mr. TABER. There was not. The testimony before the committee was that we were spending, for the first 4 months, \$64,840,000. Three times that is \$194,520,000, or three million and a half below what this proposal is. Allowing \$3,000,000, which is the ordinary and usual figure for Christmas, that would mean one hundred and ninety-seven million dollars and a half. That is what is being spent now, and we are allowing \$500,000 more than the testimony justified us in allowing. The gentleman from New York [Mr. MEAD] and the gentleman from New Jersey [Mr. KENNEY] want us to appropriate a million and a half dollars more than the testimony warrants. Frankly, we are not justified

in carrying here more than one hundred and ninety-seven million dollars and a half under the testimony, but in order to allow plenty of margin to work on we have carried the Budget estimate of \$198,000,000. Testimony is replete with statements that they can get along this year very nicely on this figure, when they come to consider what the revenues are and business is at the present time.

I cannot see any possible justification for this increase. In 1937 on a comparable basis the expenditures were \$192,000,000. There is not any sense in jumping this figure more than \$6,000,000 beyond the 1937 expenditures.

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. KENNEY. The gentleman's estimate that he just now gave does not take into consideration the extension or increase in the Service; and there was testimony that there was a large increase in New York, Los Angeles, and Washington.

Mr. TABER. The testimony was that they were not at the present time increasing to any considerable extent; not nearly up to the estimates that had been made when these figures were submitted to the Budget. If these figures had been submitted to the Budget at the time the hearings were held before our committee, I have not the slightest doubt but what the Budget would have cut from \$500,000 to \$1,000,000 below the figure that they actually did submit to us.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. LUDLOW. Is it not true that the President's estimate on this item was sent up at a time when it was thought that the volume of the postal business would be much larger and consequently require much more personnel than is now apparent?

Mr. TABER. That is exactly correct.

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MEAD. Is it not true that the Department asked the Budget for \$203,000,000 on this item?

Mr. TABER. At a time in July with figures before them showing a large increase, but not at a time in November and December when the Department figures of operation did not bear out the increase that they had estimated when they were before the Budget. I do not believe they would have gone before the Budget on those figures asking for \$203,000,000; I do not believe they would have gone before the Budget asking for \$199,000,000 on the facts as they appeared before our committee at the time of the hearings. In my opinion, after going over the figures thoroughly, there is no justification for a dollar increase in this appropriation.

[Here the gavel fell.]

Mr. FULLER. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I hardly ever take part in the debate on an appropriation bill, but sometimes we have got to stop and consider. This committee that the gentleman from New York represents is one of the most vigilant committees in the House. They never lose an opportunity to do everything in the world for the post-office employees; and they make one of the most powerful arguments you ever heard on the subject, as we know when we listen to the gentleman [Mr. MEAD] from New York. The members of that committee have succeeded in adding \$26,000 to this appropriation this time. The balancing of the Budget and what the Post Office Department wants cuts no figure with them. I call your attention to the fact that last year this same committee added \$40,000,000 to the burden of the taxpayers of the United States, and it was not needed at all, yet we are paying it today and will continue to pay it over the years. They do not tell you things that a lot of us know that the Government is doing for these so-called Government employees in the Post Office Department.

We are trying to economize, we are trying to give jobs to those that have no jobs, but this committee has only one object in the world, not to create more jobs for those who cannot take care of themselves, but to give higher wages to those that are in the Postal Service; those in the smaller

brackets whose services are really not needed. It is no benefit to the regular employees, and they can well perform these so-called added duties.

No man responsible for the running of a department, be it Jim Farley, or anybody else, can make his department come out in the black if you listen to these people from the cities who always have a big postal-employee vote. Talk about poor pay; you can sell every one of their postal jobs for 25 percent more than their salary. But that is no real test. The clerks and carriers are not here clamoring for more pay, and you are not seeking to give them more. All these increases for more jobs causes more embarrassment for the regular employees.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I yield.

Mr. BEITER. The gentleman is interested in getting people back to work. How did the gentleman vote on the wage and hour bill?

Mr. FULLER. I voted against it, of course; and I shall continue to vote against it. It will not put people back to work, it will throw people out of work. [Applause.] It is people like these gentlemen from New York, from Buffalo, who come in here talking always about the employees. They talk about making them pay 3½ percent for retirement purposes, but they do not tell you that the Government paid out last year \$40,000,000 for the retirement of Federal employees, most of them in the Post Office Department; yet they would lead this country to believe that the 3½ percent is paying for the retirement of Federal employees. I am in favor of the Federal employees getting all that is coming to them.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I yield to the gentleman this time, but I want to hear the gentleman make his speech in his own time.

Mr. BEITER. Is it not a matter of fact that the Federal employee is one of the poorest paid men in this country?

Mr. FULLER. No, they are not; they are amongst the best paid people in the country.

Mr. BEITER. Right now that might be true, but I am speaking of normal times.

Mr. FULLER. Many a rural- and city-delivery carrier in my district is receiving more than the ordinary employee of business and industry. But this is not what I am complaining about. They do not object to some extra work. Some of the Government mail employees get as much as \$5,000 a year. We have no better service in the Post Office Department since adding \$40,000,000 a year to the burden of the taxpayers of this country. It may be good as a vote-getting proposition, but it is without merit.

That is the truth of the matter.

Those who seek by this amendment to benefit do less work, they draw more pay, and are less efficient than any class of people in my district. Let us stay with the recommendations of the Post Office Department and with the Budget. It is time to economize and economize in earnest and all along the line. [Applause.]

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I was very much surprised to see my good friend from Arkansas appear in the role of economist here today. I doubt very much if he would have taken the floor were we debating the question of public highways.

Mr. McCORMACK. And also the rule of sectionalism.

Mr. RAMSPECK. Yes. The gentleman said we were appropriating \$40,000,000 for the retirement fund. He shows a lack of information as to this matter. We appropriated last week more than \$70,000,000 for the retirement fund for the ensuing fiscal year.

Mr. FULLER. I am talking about per year. Per year \$40,000,000.

Mr. RAMSPECK. We appropriated nearly twice that much.

Mr. FULLER. But we did not do that the year before.

Mr. RAMSPECK. I am telling the gentleman. He is mistaken. He does not have the correct information.

Mr. FULLER. Yes; I do.

Mr. RAMSPECK. Look in the appropriation bill which we passed last week and the gentleman will find \$73,000,000 for retirement.

Mr. FULLER. And I have known of only an appropriation of \$20,000,000, but the fixed charges from year to year run between \$39,000,000 and \$40,000,000. Does the gentleman deny that?

Mr. RAMSPECK. The normal cost to the Government is less than the amount the employees are paying in themselves.

Mr. FULLER. Is it not between \$39,000,000 and \$40,000,000?

Mr. RAMSPECK. No.

Let me talk about the post-office business. The gentleman mentioned the salaries. The amendment under discussion here does not raise the salaries. It is simply a question whether or not the Post Office Department will have enough money to secure sufficient employees and clerks to run the Department. This amendment does not raise the salary of a single employee, because that is fixed by the Classification Act; and the amount of this appropriation does not control the salaries. It simply controls the number of employees. I have not read the hearings and I do not know all of the details, but I have been told by officials of that Department they are having a great deal of difficulty securing enough money from the Budget to properly operate the Post Office Department.

Mr. Chairman, this is the only agency of the Government that is practically self-supporting. It would be self-supporting if it were not for the subsidies we give to certain interests in the way of free mail and the use of the mail at less than cost. The Post Office is an efficient organization. Its men work hard and they are entitled to what they get. We should give the Post Office Department sufficient money to get employees enough to carry on the great mail system which we have in this country.

The gentleman talks about raising salaries. This has nothing to do with salaries. It is simply a question of how many employees the Department can have. If the appropriation remains as the Budget recommends it and as the committee made it, it is my understanding that, should the volume of mail increase, the Post Office Department will not have a single dollar to add additional employees in order to take care of the increased business. That is why I think the remarks just made by the gentleman from Arkansas are out of order and not to the point.

Mr. MAAS. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Minnesota.

Mr. MAAS. If the volume does not increase and they do not need the additional employees they will not appoint them?

Mr. RAMSPECK. The gentleman is correct. They will let them go when they do not need them.

[Here the gavel fell.]

Mr. O'NEAL of Kentucky. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I think it is well to pause for a moment to decide what is going to be our general attitude toward this bill. I personally believe that reasonable economies are quite necessary. I am also of the opinion that no man should vote on this bill or on the individual items unless he is willing to hear the facts and decide them on their merits.

It appears that a great many here are moved by a sympathetic appeal. Our chairman here would like to be as generous as any man on the floor. May I say, Mr. Chairman, that every item that is added to this bill will increase the deficit for the coming year. If you put a million dollars more in this item you simply add a million dollars to the deficit in 1939. That might be justified if the facts were justified, but I do not believe that any man who wants to do the right thing and who will read the record can come to any other conclusion than that this Department is being dealt with most generously and that the Service will not be impaired by this appropriation.

Mr. RAYBURN. Will the gentleman yield?

Mr. O'NEAL of Kentucky. I yield to the gentleman from Texas.

Mr. RAYBURN. The subcommittee, as well as the full committee, went fully into this matter?

Mr. O'NEAL of Kentucky. Yes.

Mr. RAYBURN. The subcommittee was unanimous that the amount carried in the pending bill, which is \$6,000,000 above 1937, was sufficient for all purposes and was enough to do justice to every one in the Service?

Mr. O'NEAL of Kentucky. The gentleman is correct. May I say also that the revised estimates for the Postal Service are \$20,000,000 less than when the Budget considered this figure. They were \$20,000,000 less than when the Budget figured the amount in this bill. We allowed the full amount the Budget requested. We did not cut it one dime. This is the largest appropriation ever made and it is \$3,000,000 more than was used last year. They did not use all of their appropriation last year.

Mr. Chairman, this item has jumped from \$180,000,000 in 1936 to \$198,000,000, an increase of \$18,000,000. There are 72,000 employees under this item and every one can be provided for. The average rate of pay is \$2,100 a year. There are 50,000 getting \$2,100 a year.

Furthermore, ordinarily there are 1,500 lapses a year due to death or resignation, and out of the sum of money we provide, 1,500 additional employees can be appointed without further appropriation. If this Committee is to pass any appropriation recommended, we can do no more than abide by your decision; but with no item in this bill are we dealing more fairly than with this one.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 12 minutes.

The motion was agreed to.

Mr. MEAD. Mr. Chairman, before the gentleman from Pennsylvania [Mr. HAINES] begins his statement, will the gentleman yield to me?

Mr. HAINES. I am pleased to yield to the gentleman from New York.

Mr. MEAD. Mr. Chairman, I want the RECORD to show some of the statements which have been made here are not in accordance with the requests made by the experts of the Post Office Department. It has been indicated here the subcommittee is giving the Post Office Department all they ask, and that they can appoint these men if they wish, but here is the record. Last year the committee appropriated \$195,000,000 for this item, and before this year is over the Post Office Department will have to ask for a deficiency appropriation of \$3,000,000, which will make the total appropriation \$198,000,000. The Post Office Department asked the Budget for \$203,000,000 in order that they might appoint the regular substitutes who are required at the Nation's post offices, but the Budget cut the amount to \$198,000,000. Then, of course, the restrictions were applied and they could not ask for any more because they would be in contravention of the Budget regulations.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HAINES. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The statement has been made that the appropriation has been increased \$18,000,000 from 1926 to the present time. Will the gentleman enlighten us in regard to the increase in the business of the Post Office Department?

Mr. HAINES. The Post Office is the greatest service organization in the world. If we want to continue to have it a fine service organization, we must provide sufficient funds so the Department can operate efficiently with a personnel which does not need to be cut off or retired temporarily, or the Department will not have to take advantage of some provision of law which may permit a reduction in salary. I want to support this amendment, because I believe the efficiency in the management of the Post Office Department is such that if the money is not necessary, it will not be spent.

If it is necessary, I want the Post Office Department to have the advantage of a sufficient appropriation.

Mr. PIERCE. Mr. Chairman, it seems to me we who sit here in the Committee of the Whole considering an appropriation a committee of the House has considered for weeks, and on which it has taken testimony, should be very reluctant to raise the amount of the appropriation, especially at this time. I sympathize with the men in the Post Office Department who are not receiving as much as they think they ought to receive, but I am extremely anxious that we get just as close as we possibly can to balancing the Budget at this time. I am going to vote against raising appropriations which a committee as highly respected as this subcommittee presents to this body and asks us to accept. I think we ought to be extremely careful when we change the figures recommended by such committees, especially in connection with raising them at this time and on this occasion. Let us sustain our committee. What is the use of having a committee if we do not sustain it? What is the use of their taking testimony?

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Do I understand the gentleman to say he is going to vote against all efforts to increase appropriations for the rest of the year?

Mr. PIERCE. I would hate to make such a pledge, especially in regard to the C. C. C. camps. Nevertheless, it is going to be very hard to jolt me out of that position, because I believe it is one we should all take. The Postal Service is going to continue, there is no question about it, and there is no considerable hindrance to Government affairs if we simply give them the amount asked for by the Budget. Therefore, why raise the amount and override the committee?

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Indiana.

Mr. LUDLOW. The gentleman has stated no harm would be done in any way, and that is true. The deficiency subcommittee is sitting almost constantly. It happens the gentleman from New York and I are members of that committee. Any reasonable request which may come for additional personnel will certainly be honored by that subcommittee.

In this connection I may read what Mr. Donaldson, of the Post Office Department, stated during the course of the hearings:

Mr. LUDLOW. In your administration of it, if you find that you cannot get by without curtailing or unduly crippling the Service, you will find a responsive ear here.

Mr. DONALDSON. We have no difficulty in this Committee on Appropriations so far as a deficiency is concerned.

Mr. PIERCE. Let us sustain our committee.

Mr. MOSER of Pennsylvania. Mr. Chairman, as I have listened to this debate, I cannot help but recall the time I was a railway postal clerk running into New York City. The Federal building was then under course of construction. Facing Eighth Avenue, between Thirty-first and Thirty-third Streets, is a fine edifice erected by the Government of our country. On the cornice at the front of this building appear these words:

Neither rain nor snow nor heat nor gloom of night stays these couriers from the swift completion of their appointed rounds.

This is the motto of the Post Office Department, and is inscribed on the New York City post office.

I want to say something in behalf of these employees, none of whom has ever been overpaid. They are the most efficient, the highest trained, and the most expert employees in any branch of the service of the Government of the United States. I challenge any member of this committee to show me where any employee of the Government of the United States is put on the spot more than these postal employees, who are required to pass examinations 98 percent perfect in order to hold their jobs and distribute the mail. You know what it means to have mail delivered with celerity

and dispatch. For people to come here and say, as the gentleman from Arkansas has said, that these men are inefficient and incompetent, just beggars description. They are the highest trained, the most efficient, and the best qualified employees of the Government, after passing their examinations successfully, or they would not be able to stand up to their cases and perform their work. They never have been accused of being overpaid. It is unreasonable that the Post Office Department's hands should be tied. The administration of the Post Office Department reaches into the homes, and carries messages of cheer as well as messages of grief, touching the heartstrings of the entire Nation. It is a service which reaches into your district and affects each and everyone of you more vitally than any other service the Government performs. I hope the amendment is adopted.

Mr. RAYBURN. Mr. Chairman, it seems we are all in favor of balancing the Budget when an appropriation bill is not pending before the House. May I say to the members of the committee that as the days come and go balancing the Budget becomes more and more important. Some of these days the Government of the United States will have to do what every wise individual and every wisely managed corporation does, balance its outgo with its income. [Applause.]

You may talk about the requests of the Post Office Department, but everyone who has been in Congress and has watched appropriations throughout the years knows every department in the Government asks for more money than it expects to get. So the fact the Post Office Department asked for \$203,000,000 and was granted \$198,000,000 is no argument to me.

This is one service that comes very close to all of us, and it comes as close to me as it does to any Member of the House, and when this committee has considered and made its recommendation, and has been confirmed by a committee of some 39 Members of this House, it appears to me it should be persuasive with this Committee when they say this is fair, and this is sufficient, especially in view of the present condition of the Treasury. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MEAD].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 49, noes 41.

Mr. LUDLOW. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. LUDLOW and Mr. MEAD.

The Committee again divided; and the tellers reported there were—ayes 53, noes 52.

So the amendment was agreed to.

The Clerk read as follows:

Clerks, third-class post offices: For allowances to third-class post offices to cover the cost of clerical services, \$7,250,000.

Mr. HAINES. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HAINES: On page 59, line 3, strike out "\$7,250,000" and insert in lieu thereof "\$7,450,000."

Mr. HAINES. Mr. Chairman, my amendment takes care of a small increase in salary that is due the lowest paid postal clerks in the Service—the postal clerks in the third-class offices.

I can subscribe to the sentiment expressed by our floor leader. I am just as anxious to go along in the balancing of our Federal Budget as any man here, but I am equally interested in balancing the human budget, and when you know there are 3,500 clerks in the third-class offices whose salaries are below \$50 a month, and who by act of Congress are entitled to an increase of salary, but because of lack of appropriation the Department cannot give them the little increase to which they are entitled, I believe you will support the amendment.

There are over 10,000 offices in the country that employ these low-salaried employees, and I offer this amendment,

Mr. Chairman, in all sincerity and with considerable feeling because here is a group of men who have been forgotten.

I appreciate the fact the committee has worked hard, and I believe in their sincerity and in their effort to make a contribution to a balanced Budget and all that, but I am convinced that when the chairman of the subcommittee said they had cut pretty deeply, he made a correct statement. I want to refer you to the hearings at page 91, a statement by Mr. Uttley:

We have been holding these people down that receive very poor salaries; they are importuning us all the time, not only direct but through their Representatives—we have been holding them down, many of them to the minimum allowance, reducing it 25 percent of what is set up as a standard allowance by law. We feel that our allowance on that has been cut to the absolute minimum.

This is the statement of Mr. Uttley, who is Superintendent of Postal Service, and I continue to quote Mr. Uttley:

Because of the low salaries received by them, we originally asked for \$8,000,000, which would still be below the average.

Then Mr. DALY asked this question:

When you asked for \$8,000,000 the Budget cut you to what?

Mr. UTTLEY. To \$7,450,000.

Notwithstanding the statement of this gentleman, who is an expert in the Department, the subcommittee further reduced the amount to \$7,250,000.

Mr. O'NEAL of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. HAINES. I yield.

Mr. O'NEAL of Kentucky. Is not the gentleman aware of the fact that every Government officer who comes before the committee fights for the amount he has requested?

Mr. HAINES. I presume that is true.

Mr. O'NEAL of Kentucky. The gentleman can read the hearings and on every item he will find each one of them saying he could not get along without the amount requested. This is the universal custom.

Mr. HAINES. I think the gentleman is probably correct.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. HAINES. I yield.

Mr. BEITER. The gentleman's amendment simply restores the amount to what the Director of the Budget recommended and not what was asked by the Department.

Mr. HAINES. I am simply asking what the Director of the Budget has asked and not what it has been suggested is necessary to pay these men the amount of money they are entitled to under the law. They are entitled to \$8,083,590, and I sincerely trust in all fairness and justice to a low-paid group whose salary averages \$50 a month, with 3,500 of them receiving less than that amount, we do the right thing by these men, and I ask you to support this amendment.

Mr. LUDLOW. Mr. Chairman, I appreciate the concern of the able gentleman from Pennsylvania for these clerks in post offices of the third class, and his concern for them is no greater than mine or the concern of the other members of the subcommittee of which I am the chairman, but the fact of the matter is there is ample money provided in this appropriation to take care of these employees.

The annual rate on November 5, 1937, which is the last index we have to go by, is \$7,183,700, which is well below the appropriation carried in this bill.

In submitting this estimate, what appears to have been an error was committed by the Post Office Department. They based it on a certain computation of the number of post offices expected to advance from the third to second class, which is 400 postmasters, but as a matter of fact they failed to give us any information on the point of how many third-class postmasters would advance into the second class. Every time a third-class postmaster advances to a second-class postmaster there is a balance of \$1,600 of clerk hire that ceases to be a burden on this appropriation, and that allows for as many as seven clerks in the lowest bracket when they are infiltrated into this particular appropriation by advancement of officers from the fourth to the third class, so that taking that into consideration there is the greatest

amplitude of funds in this appropriation to care for this bracket of employees, the clerks in third-class post offices.

Mr. HAINES. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. Yes.

Mr. HAINES. I have three or four instances in my own congressional district where postmasters, by reason of increase in postal receipts, have received increased pay, but these postal clerks were not given the increased pay that they were entitled to under the law; and I called it to the attention of Mr. Uttley, and he told me they would like to pay it, but that Congress does not give them the money.

Mr. LUDLOW. In the year 1937 they did not spend their entire appropriation by \$19,000, and that was \$7,225,000, or \$25,000 less than the appropriation we are allowing this time. Unless you want to swell these appropriations far beyond the needs of the Service, this amendment ought to be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. LUDLOW) there were—ayes 45, noes 28.

Mr. O'NEAL of Kentucky. Mr. Chairman, I object to the vote upon the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and three Members present, a quorum.

So the amendment was agreed to.

The Clerk read as follows:

Village delivery service: For village delivery service in towns and villages having post offices of the second or third class, and in communities adjacent to cities having city delivery, \$1,675,000.

Mr. PHILLIPS. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. PHILLIPS: Page 59, line 12, after the period, insert an additional paragraph, as follows:

"Rewards to postal employees for inventions: The Postmaster General is hereby authorized to pay a cash reward for any invention, suggestion, or series of suggestions for an improvement or economy in device, design, or process applicable to the Postal Service submitted by one or more employees of the Post Office Department or the Postal Service which shall be adopted for use and will clearly effect a material economy or increase efficiency, and for that purpose the sum of \$2,500 is hereby appropriated: *Provided*, That the sums so paid to employees in accordance with this act shall be in addition to their usual compensation: *Provided further*, That no employee shall be paid a reward under this appropriation until he has properly executed an agreement to the effect that the use by the United States of the invention, suggestion, or series of suggestions made by him shall not form the basis of a further claim of any nature upon the United States by him, his heirs, or assigns."

Mr. LUDLOW. Mr. Chairman, I make the point of order that that is legislation on an appropriation bill not authorized by law.

Mr. PHILLIPS. Will the gentleman withhold his point of order?

Mr. LUDLOW. We are very anxious to finish this bill.

The CHAIRMAN. The Chair is ready to rule. Clearly this is legislation on an appropriation bill not authorized by law.

Mr. PHILLIPS. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. PHILLIPS. Mr. Chairman, that same paragraph was in this bill last year. It may not be germane now, but it was germane and put in the bill last year with this change: The amount given in the bill last year was \$500. The amount that I ask for is \$2,500. The proposition is just a Budget item to reward postal employees for inventions or perfections in their work which may benefit the Post Office Department. Five hundred dollars was allowed for it last year.

Last year I raised the objection that there was not enough money appropriated. Think of a business the size of the Post Office Department, a business that extends throughout the United States, appropriating only \$500 to reward em-

ployees for inventions. Every large corporation rewards its employees for inventions; it is good business; but this year there is not an item in this bill for this purpose. I am sorry the Chair felt constrained to rule that this amendment is not germane. This wording appeared verbatim in the bill last year. Last year the bill carried \$500 for this purpose; little enough. I wish that somehow the wording could be put back, but the amount raised to \$2,500.

[Here the gavel fell.]

By unanimous consent, the pro forma amendment was withdrawn.

The Clerk read as follows:

City delivery carriers: For pay of letter carriers, City Delivery Service, \$138,000,000.

Mr. MEAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEAD: On page 59, line 18, after the word "Service", strike out "\$138,000,000" and insert "\$139,000,000."

Mr. MEAD. Mr. Chairman, I appreciate the interest of the Members in the clerical force of our post offices, an interest which was manifested just a few moments ago in the adoption of the amendment which I offered in behalf of our clerical force.

The present amendment is offered in the interest of the carriers, those postal employees who wear the uniform of gray and tread our streets day in and day out. I appreciate the contribution made by our leader, and I agree with a statement he made that a dollar invested in the Postal Service is not a dollar lost. A dollar invested in the extension of this Service may mean a dollar earned; in other words, by the continued expansion of this Service we increase revenues almost as rapidly as we increase the cost. While the late lamented Speaker, Mr. Byrns, of Tennessee, was chairman of that committee, there was, year in and year out, a surplus for the Post Office Department to expend on this item.

Under existing conditions, however, the Post Office Department will be exhausted of funds after 9 months of the year for which this appropriation applies. Here is the testimony of the expert of the Post Office Department: The appropriation for the current year is \$138,000,000; the appropriation contained in the bill for the next year is \$138,000,000. The deficiency this year already indicated is \$1,000,000, and to prevent a similar deficiency next year is the reason for my amendment. I am asking for the same amount next year that will be necessary for the Department to function this year.

Here is an article that appeared in yesterday's paper: Postal receipts gained 5 percent in the month of December. Here is the Post Office Department's report on 50 industrial cities for the months of November and December. For November it shows an increase of 9 percent, for December 3.5 percent.

Here is the prognostication of the Budget: The Budget says that in 1938 we shall have a new postal surplus of \$33,000,000.

Mr. Chairman, we owe a responsibility to the American people.

We cannot pile up surpluses without giving them adequate service. That the protest today is widespread is indicated by speeches on both sides of the aisle; it is indicated by Representatives from rural districts, as well as Representatives from urban centers. It is a protest against the policy that impoverishes the Post Office Department; it is a protest against the policy that makes it compulsory for men to work 2 and 3 years as substitutes after they are working the hours of regulars in order that we may chisel them out of their vacation pay and in order that we may deprive them of their sick leave.

I say to you, Mr. Chairman, this committee did consider this bill and they did cut this bill to the bone. They have a right to consider this bill, but I say as chairman of the legislative committee that we know the law, and we ask you to respect the law; I refer to the law regarding wages, working

conditions, and hours of service. How can you expect private industry to raise labor standards when, by indirection, by impoverishment of appropriations, and by diminution of the appropriation for these items, you nullify the acts of Congress? I ask you not to do it. I say to you, you have been considerate of the clerk; now, be consistent and be considerate of the carrier. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I do not believe this House of Representatives wants to add \$1,000,000 to the 1939 postal deficit unnecessarily, and that is exactly what this amendment would do. The amount of money actually expended in 1937 for city letter carriers was \$34,425,000, or almost \$4,000,000 less than is carried in this bill, and there was an unexpended balance in the 1937 appropriation of \$1,300,000.

This estimate was predicated by the Budget on what was supposed to be a prospective 5-percent increase of postal revenues, but it was demonstrated by the first 4 months' revenues that the actual increase would be less than 3 percent. All of this means less postal volume and less need of personnel. Not only is there enough money in this item to cover the expenses of the Service, but there is more than enough.

It must be remembered, too, that the deficiency subcommittee is in almost continuous session. These postal officials have always told our committee that they were sure of a responsive hearing when they came up to ask for additional funds should such funds be necessary.

Let us not go ahead and appropriate \$1,000,000 above the necessities of the Service and in so doing add \$1,000,000 to the postal deficit at a time when our President is doing his very best to make an approach toward a balanced Budget. The country is back of the President in this matter and we as a subcommittee are doing our best to assist him by upholding his Budget estimates.

Mr. O'NEAL of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. O'NEAL of Kentucky. I wish the gentleman would clear up one point which seems to be disturbing a number of Members. Even though the deficit, which does not appear to be imminent, should come, would that mean any lessening of the clerical force or services of any kind?

Mr. LUDLOW. Not one iota.

Mr. O'NEAL of Kentucky. Would anybody be hurt? Would anything happen except that they would have to ask the Deficiency Appropriation Committee for more money?

Mr. LUDLOW. The gentleman is absolutely correct. There would not be a single iota of impairment of the service. I would like to avoid adding this \$1,000,000 to the deficit of the Service. I hope the amendment will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MEAD].

The question was taken; and on a division (demanded by Mr. MEAD and Mr. BEITER) there were—ayes 46, noes 31.

Mr. LUDLOW. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. LUDLOW and Mr. MEAD to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 55, noes 38.

So the amendment was agreed to.

The Clerk read as follows:

Railway Mail Service: For 15 division superintendents, 15 assistant division superintendents, 2 assistant superintendents at large, 121 chief clerks, 121 assistant chief clerks, clerks in charge of sections in the offices of division superintendents, railway postal clerks, substitute railway postal clerks, joint employees, and laborers in the Railway Mail Service, \$57,500,000.

Mr. MOSER of Pennsylvania. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MOSER of Pennsylvania: Page 60, line 25, after the comma following "clerks", insert "who may neither be furloughed, surplused, nor reduced in grade that distribution be provided for terminals and post offices."

Mr. MOSER of Pennsylvania. Mr. Chairman, the amendment I have just offered does not involve an increase or decrease of appropriation but is offered solely in the interest of good, efficient service.

Some years ago the Post Office Department saw fit to discontinue paying for the transportation of mail by the weight system and began to contract for space upon a per foot basis. This will continue despite the fact there are efforts being made now to discontinue the distribution of mails on certain days of the week, as the chairman of the Post Office and Post Roads Committee mentioned a while ago, by placing this mail in a post office and there having it distributed by substitutes or other persons on substitute time. The experienced railway mail clerk, such as I described a few moments ago, must qualify by examination year after year and maintain an average of 98 percent in order to hold his job. He is skilled in the distribution of mail for large cities. He is experienced in the distribution of this mail, and I have personally known as many as half a dozen railway postal clerks to distribute city mail en route in the mail cars.

This mail will be turned over to the post office at the terminal. In the larger cities like New York, Chicago, and other large terminals, it is very important to have the mail ready to be delivered.

I may say on one particular occasion a post-office inspector called me on the telephone from the Hudson Terminal Station in New York and asked me to see whether his pay check was there. It was. I put it in a tube and immediately called him on the phone to tell him I had found it, and he already had his pay check delivered to him from the Pennsylvania Station in New York. That illustrates the facility with which mail can be dispatched through station distributing points.

The Post Office Department, under a misguided or a mis-conceived idea, should not undertake to surplus, furlough, or reduce a regularly qualified mail clerk who has passed his examination with a grade of 98 percent and who is qualified to dispatch that mail with celerity. If they undertake to dump that mail into a post office and take these men off on week ends, Saturdays and Sundays, the Government will continue to pay for this space. This mail will be turned over to the post office where substitutes will be used. When an inexperienced, inefficient, or unskilled substitute undertakes to distribute city mail they resort to a practice known as "scheming," which results in a scheme of distribution being laid out before them and letter after letter is followed down the column, whereas the experienced clerk dispatches the mail with accuracy and speed.

The purpose in offering this amendment is to protect the men who are qualified.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The point of order comes too late. It should have been made before debate was had on the amendment.

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this proposition has sprung out of a clear sky, and I do not believe a Member here knows what it means. If this has to do with an administrative matter, that is another thing. As I understand it, this would prevent the Postmaster General from taking disciplinary measures against members of the Postal Service. If that would be its effect, it would be prejudicial to good postal administration.

I hope the amendment will not be adopted. We do not know a thing about it. The gentleman never said a word to the subcommittee about it. I do not say that as a criticism, but, if the gentleman had come to us and explained the matter to us fully, we might have had greater sympathy toward the amendment by virtue of a better acquaintance with it, but in view of the fact we know nothing about it, I must, with all due respect to the gentleman, ask that the amendment be voted down.

Mr. MAAS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the purpose of the amendment is to attempt to prevent an order from going into effect on February 1, which provides for discontinuing working the mail on trains on Saturday nights and transferring that function to the post offices on Sunday. There are no genuine economies involved, but it will destroy the morale in the Railway Service.

Mr. LUDLOW. In any event is it not an administrative matter?

Mr. MAAS. No. I think when the administration fails, it is a proper matter for legislation.

Mr. LUDLOW. Does the Post Office Committee want us to legislate like that on an appropriation bill?

Mr. MAAS. Yes; I think it is proper under the circumstances.

Mr. SCHNEIDER of Wisconsin. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Wisconsin.

Mr. SCHNEIDER of Wisconsin. This is done in the name of economy because the Department has not sufficient money.

Mr. MAAS. There is no real economy in it. You will discontinue the pay of one set of employees and pay it to another set. When you discontinue paying this money to regular employees you will give it to substitutes who have been on the list for many years, it is true, but it will demoralize the Service. I believe the gentleman is probably right, that it is legislation.

May I ask the chairman of the Committee on the Post Office and Post Roads if he will hold hearings on a measure designed to stop this order from being effective?

Mr. MEAD. I may say our committee contemplates considering a bill of this character. However, if the gentleman will look up the original act creating the Postal Service, he will find there ample justification for this amendment, because by the act creating this Service we make it the duty and the obligation of the Congress to expedite the delivery of the mails. This order will retard delivery of the mails, and we will not save a dollar by its adoption.

Mr. MAAS. We are not only not going to save any money, but now hotels get mail on Sunday morning and distribute it, and this practice will be prevented if the order goes into effect. No mail will be available to anybody on Sunday.

Mr. MOSER of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Pennsylvania. Mr. MOSER of Pennsylvania. The gentleman understands, of course, that this would not under any circumstance interfere with disciplinary action.

Mr. MAAS. Oh, no; it has nothing to do with disciplinary action. The gentleman is absolutely right.

Mr. MOSER of Pennsylvania. The gentleman understands the space will continue to be paid for, but the railway-mail clerks will be taken out of the space and the mail will be thrown into the post office.

Mr. LUDLOW. If the gentleman will yield, I understand this does interfere with disciplinary action because the amendment says, "Who may neither be furloughed, surplused, nor reduced in grade." Certainly, this interferes with disciplinary action.

Mr. MAAS. In view of the fact the gentleman from New York, the chairman of the Committee on the Post Office and Post Roads, has promised consideration by his legislative committee, does not the gentleman believe he ought to withdraw his amendment and have the matter go through that channel?

Mr. MOSER of Pennsylvania. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read as follows:

Railway postal clerks, travel allowance: For travel allowance to railway postal clerks and substitute railway postal clerks, \$3,100,000.

Mr. MEAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEAD: On page 61, line 5, after the words "postal clerks", strike out "\$3,100,000" and insert in lieu thereof "\$3,200,000."

Mr. MEAD. Mr. Chairman, this amendment applies to railway-mail clerks. It involves an expenditure of only \$100,000, and applies to their travel-expense item.

I believe if you will listen to me for a moment, as I illustrate what the railway-mail clerks are up against, you will appreciate the difficulties under which these men work. This is further evidence of the impoverishment of this Department, and is an added reason we should provide ample funds for the carrying out of the mandate of the Congress.

The Department has changed many head-outs of railway-mail clerks regardless of their home to their work. The following is a typical example: On the run from Richmond, Va., to Clifton Forge the railway-mail clerks live in Richmond, and the official head-out has been from that point for years. A change in the railroad schedule developed the fact that if these clerks were headed out of Clifton Forge, at the other end of the road, a meal item of 75 cents per man would be saved. This is what they are doing to the railway-mail clerk—sending him from one end of the road to the other to save 75 cents on a meal item. If you call this economy, I say to you I hope never to understand the definition of the word.

This amendment, in my estimation, will provide only the bare necessities for the next fiscal year. It is what the Department asked for in the Budget. In all the amendments I have sponsored this afternoon I have asked for either what the Budget has approved or a smaller amount. If you believe the intent of the Congress should be carried out, and if you are against this method of deadheading railway-mail clerks clear across the line to the other end of the road to save on their travel allowance, then I hope you will join me and adopt this amendment, which will add but \$100,000 to the item contained in the bill. If you do this, you will be inserting in the bill only what the Budget itself has approved. For example, the travel expenses under the current appropriation are \$617,000. Six hundred and sixty-five thousand dollars was approved by the Budget and \$625,000 is reported to the House. I am trying to reinstate at least a part of that sum so this plan of deadheading men clear across a division of a railroad will not be necessary during the year to which this appropriation applies.

We have men who are wholeheartedly interested in the postal appropriation, and it is also your duty and obligation to be so interested. We have as much right to register our will in regard to this and other items as the members of any committee, whether it is the Committee on Appropriations or a legislative committee. I ask you to provide ample funds so the intent of the law may be carried to fulfillment.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I regret exceedingly the temper which seems to have taken hold of the House today. I want to be serious when I say I sympathize sincerely with the leadership of the House. I am surprised that a large group of men on the other side of the aisle who continually profess loyalty to the administration and to the President has felt that it could cast aside all spirit of allegiance and all loyalty and join in this wild orgy of spending which has been urged upon the House today.

I want the RECORD to show and I want the record in Pennsylvania to show that every one of these raids on the Treasury which has been perpetrated this afternoon has come from the Democratic side of the House.

I want the RECORD to show that in a great many instances they have been sponsored and supported by Democrats from Pennsylvania, who profess loyalty to the President, and who have tried at every instance to say his ways and methods were the ways and methods which would lead to a safe port. They have paid lip service of support to the President, but now that the test comes they are deserting him in his effort to economize. They are supporting every spending suggestion here today. You are on a spending spree

and by so doing repudiating the President for whom you profess allegiance and loyalty. You are trying to tie the hands of your President in the efforts he is trying to make to carry out a promise of balancing the Budget. I charge every one of you as supporters of programs of profligacy. You are spendthrifts of the public funds. Remember that every dollar that you waste here means that much less for the unemployed for whom you should be concerned today.

Your concern today should not be for the employed mail clerks. Your concern should be for the millions of unemployed clerks, workmen, employees of all classes who have no pay checks, no pay envelopes, no means of getting jobs because of the effects of your profligacy on the private industries of the Nation. Your first responsibility is to get these men, the unemployed, to work. Your responsibility is to help your President do this job.

There is a cry which you should hear today—the cry of the 11,000,000 unemployed. Every dollar that you spend here today means just that much less for those in distress as the relief rolls—the unemployed rolls—grow larger. Remember their need—the ill-clad, the ill-housed, the ill-fed—those without jobs, is worse by far than these postal employees for whom we have provided adequately. The responsibility for raids on the Treasury is on your shoulders. You are for an economical administration of public affairs or you are against it. You are savers of taxpayers' money or spenders.

I plead with you today to support the distinguished majority leader. Give him the benefit of the support I believe he deserves. Cast aside the demagogues that stand down there in the Well of the House and plead for this raid on the Treasury of the United States. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment.

Mr. O'NEAL of Kentucky. Mr. Chairman, will the gentleman yield for a moment?

Mr. LUDLOW. I yield.

Mr. O'NEAL of Kentucky. I would like to call the gentleman's attention to a few facts about the bill as it now stands.

The economy on the part of your committee, after 6 weeks of hard work, was a shade less than \$3,000,000. This committee has raised the amount of the bill, not counting the amendment before us now, \$2,226,000. In other words, we have now an economy here under the Budget of \$659,000, not counting this \$100,000. Practically speaking, all the work of your committee has been wiped out, and by the action of the Committee today the deficit of the Federal Government will be increased \$2,226,000 by amendments up to the present time.

Mr. LUDLOW. Mr. Chairman, I thank the gentleman for his contribution.

In reference to the pending amendment increasing the travel allowance of railway clerks from \$3,100,000 to \$3,200,000, I call attention to the significant fact that the expenditures for this purpose during the first 4 months of the current fiscal year have been \$1,029,000. At this rate, the total expenditure for the fiscal year will be \$3,057,000, which is \$43,000 under the appropriation we have carried in this bill for 1939.

I wish to call attention further to the fact that the railroads are taking off trains all the time, which further diminishes the amount required in this appropriation.

The amount we have allowed of \$3,100,000 takes care of the situation amply, and I would like to see the amendment voted down in the interest of economy.

Mr. BEITER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the appropriation for 1938 is \$3,450,000, and the estimate for 1939 is \$3,100,000, a reduction of \$350,000. The Budget approved \$3,100,000. On June 30, 1937, with 12,586 postal clerks, the annual travel allowance aggregated \$2,964,820. The average annual rate per clerk was \$236. During the fiscal year the extra travel allowance for regulars

and substitutes was \$272,222. Neither regulars nor substitutes can draw any subsistence until they have been away from the terminal for 10 hours. If a clerk makes a round trip and gets back within 10 hours, he does not draw any subsistence at all. In many cases clerks are out over 10 hours, but do not receive any travel allowance, because it may be at a certain time when they would not be entitled to it.

I greatly respect the judgment of the chairman of the Appropriations Subcommittee, but in this case I think he is wrong in trying to effect a savings on a group of employees who are justly entitled to this money.

The amount asked for in this amendment is necessary to carry out the obligations of the current year. Why prohibit these clerks from returning to their initial terminals by not appropriating sufficient funds?

Mr. LUDLOW. Mr. Chairman, if the gentleman will yield, they will get that under the proposed appropriation.

Mr. BEITER. Yes, but the amount of money you have included in the appropriation is not a sufficient amount to cover all of the expenses, as has been stated by the Chairman of the Post Office and Post Roads Committee, and, furthermore, this amount complies with the figure submitted by the Bureau of the Budget. This is not the amount requested by the Department, but the amount requested by the Bureau of the Budget.

Mr. LUDLOW. I understand we have allowed enough to cover their actual expenditures as demonstrated by their real expenditures now, and let me correct the gentleman by stating that we did give the Budget estimate. This is the exact amount that was allowed by the Budget.

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. BEITER. I yield to the gentleman from New York.

Mr. MEAD. The current appropriation carries an item of \$3,450,000. The Budget approved \$3,100,000, but that is less than the amount necessary to carry out the obligations of the current year. Why appropriate an amount that will result in another deficiency next year? Why appropriate an insufficient amount that will compel these clerks to deadhead to the other end of the line?

If the gentleman will let me have another moment, I may say that the charge of demagoguery was hurled in this Chamber for the second time in 2 days by the gentleman from Pennsylvania [Mr. DITTER] at those of us who are trying to secure appropriations sufficient to carry out the law, but he deleted the first charge from his remarks appearing in the Record of the following day. I will leave it to the membership of the House whether the sincere efforts of any man here in expressing his views, even though they may be opposite to the attitude of other Members, should place him in the category of a demagogue.

When I espouse the cause of the clerks in third-class post offices, those who are paid by a lump-sum item in the third-class postmasters' appropriation, those who are getting \$10 to \$15 a week, I do not believe I should be accused of using the methods of a demagogue. I resent that, and I believe that the membership of the House resents it. I think we ought to discuss these matters on their merit, and we ought not to be carried away in the heat of debate and charge that any man is violating his trust or is assuming the attitude of a demagogue. We ought not to impugn the motives of anyone. I hope always to be fair with my colleagues, and I only ask them to be fair with me.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, on the basis of the expenditures so far this year, the amount that we have carried is absolutely sufficient by a decided margin to take care of everything that is required. There is absolutely no evidence in the hearings that justifies this increase. I do not believe that there can be any possible excuse for this proposed increase. The travel allowance was set out on June 30 at an annual rate of \$2,964,820. There is nothing whatever to justify any increase, and the amount allowed here will be ample in my opinion not only to take care of every bit of

needed expense, but there will be a considerable margin of at least \$50,000. I hope the amendment will not be agreed to.

Mr. BRADLEY. Mr. Chairman, I move to strike out the last four words. I listened with much interest to the remarks of my colleague from Pennsylvania [Mr. DITTER], for whom I have high personal regard. He particularly took issue with his Democratic colleagues who have voted for living wages for United States Government employees. I am perfectly content that he shall place me in the classification of those who vote for a living wage for men and women who work for the United States Government, because I think the United States Government should take the lead in paying a living wage, and I and my colleagues from Pennsylvania on the Democratic side of the House, who have voted for these amendments, have no apology to offer because we are voting for the things necessary to enable these men and women to live according to the American standard of living.

I was very much interested in his remarks regarding the unemployed. I would like to examine the record with respect to the votes of his colleagues on the Republican side of the House when it has been a question of voting funds for the unemployed in this country. I am sure that you will find that they have consistently voted against relief and against appropriations for the W. P. A. When we vote for living wages for the post-office clerks we do not forget the unemployed, because when the question of the W. P. A. and unemployment relief is before this body we will vote as we always have done, for adequate relief, and I am sure that the Republicans on the other side of the Chamber will be found voting against these measures, as they always have done.

Mr. McGRANERY. Mr. Chairman, will the gentleman yield?

Mr. BRADLEY. Certainly, I yield to my distinguished friend and colleague.

Mr. McGRANERY. I, too, like my good friend, have a very high regard for the gentleman on the other side of the aisle [Mr. DITTER], and I want to say that I have since consulted the RECORD and find that our friend did vote to recommit and voted against the last relief bill.

Mr. BRADLEY. I thank the gentleman for that contribution. Further, Mr. DITTER said he would like a permanent record of all the votes that were cast on these amendments. I would like to see him ask for a separate vote on these amendments to correct conditions in the Post Office Department, because I am quite content to be found voting for the amendments if he is content to be found voting against them, because my vote would show I favored a living wage and his would indicate he favored starvation wages for Government employees.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. BRADLEY. Yes.

Mr. RICH. I think the gentleman is telling the truth about the Members, that gentlemen on the Democratic side voted to spend every dollar since they have been here. They have not done anything except vote expenditures, and they are not considering trying to take care of the financial conditions of the country at all.

Mr. BRADLEY. When it comes to relief, my friend Mr. RICH will find me voting for relief for those who work for a low standard wage, in the Post Office and elsewhere and also for funds for the unemployed, and we will probably find the gentleman voting for relief for the corporations.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. MEAD) there were—ayes 48, noes 43.

Mr. LUDLOW. Mr. Chairman, I demand tellers.

Tellers were ordered, and Mr. LUDLOW and Mr. MEAD were appointed to act as tellers.

The Committee again divided; and the tellers reported that there were—ayes 57, noes 45.

So the amendment was agreed to.

Mr. MEAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEAD: Page 61, line 5, at the end of line 5, strike out the period, insert a colon in lieu thereof, and

add the following: "Provided, That clerks shall not be required to deadhead from their established official head out and residence to a distant place for the purpose of saving travel allowance because of changed service conditions."

Mr. LUDLOW. Mr. Chairman, I make the point of order against the amendment that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from New York desire to be heard on the point of order?

Mr. MEAD. I desire to be heard on the point of order, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman on the point of order.

Mr. MEAD. The Committee of the Whole by the action which it has just taken has placed its stamp of approval upon the amendment which I sent to the desk. As I interpret the intent of Congress, expressed in the law applying to railway-mail clerks, it is that the railway-mail clerks are entitled to a travel allowance under the ordinary and normal conditions of their work.

Mr. LUDLOW. Mr. Chairman, I do not believe the gentleman is addressing himself to the point of order.

Mr. MEAD. Mr. Chairman, I do not yield to the gentleman from Indiana. I am within my rights.

The CHAIRMAN. The Chair desires to hear the gentleman discuss the point of order.

Mr. MEAD. I am trying to inform the Committee and the Chairman that the adoption of the amendment just a moment ago, together with the law as it applies in this instance, make this amendment in order. We provide by law certain restrictions. These restrictions have not been carried out. We have now appropriated the money. By adopting this amendment the Department will be asked to live up to the law.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. MEAD. I yield.

Mr. TABER. Does the gentleman mean to imply by this amendment that the Postmaster General is abusing the railway mail clerks?

Mr. MEAD. No; I mean that because of the impoverishment of the Department by the subcommittee the Department cannot carry out the law adopted by the Congress. The chairman of the legislative committee resents this impoverishment of this Department and is trying in this way to make it possible for the Post Office Department to carry out the law.

Postmaster General Farley and those who are ably assisting him are very anxious to carry out the law; they are in sympathy and accord with the law as enacted by the Congress. Of them I have no complaint, but I do say that this policy adopted by the committee since the Budget regulations have been issued will, if it persists for a few years more, result in a postal service of which there will be complaint all over the United States. Our effort today is to save and increase the effectiveness of this great Department of the Government.

I believe that the acceptance of this proviso would be in keeping with the intent of the law and would make for ordered administration of the laws that were enacted by the Congress. We did not go into the details of preventing the Department from sending a railway mail clerk from New York to Chicago in order that it might save a 75-cent meal allowance, but we expected the Department to carry out the intent of the law.

Mr. LUDLOW. Mr. Chairman, I make the point of order that the gentleman is not discussing the point of order.

The CHAIRMAN. The Chair is ready to rule.

The amendment offered by the gentleman from New York undertakes to direct methods of transfer of railway-mail clerks. It is clearly legislation. The Chair, therefore, sustains the point of order.

The Clerk read as follows:

Electric- and cable-car service: For electric- and cable-car service, \$335,000.

Mr. WEARIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WEARIN: Page 61, line 24, strike out "\$455,000" and insert in lieu thereof "\$460,000."

Mr. WEARIN. Mr. Chairman, this amendment has to do with the Railway Mail Service and the necessity for the increase in appropriations is to take care of a certain increase in floor space that is contemplated on the part of the Post Office Department, and that will, if carried to its ultimate conclusion, bring about a certain amount of economy in the handling of the mail by making it possible for the mail to be handled in the railway-mail terminals rather than on the cars. This fact is borne out by the testimony before the committee appearing on pages 240 and 241 of the hearings. I read a brief excerpt from the hearings:

Mr. COLE. Yes; Mr. Chairman. The expected increases are at Buffalo, N. Y., \$5,000; at Columbus, Ohio, \$8,000; at Council Bluffs, Iowa, \$5,500; at Indianapolis, \$1,000; and at Louisville, \$1,500.

Mr. LUDLOW. These are all rental charges?

Mr. COLE. We anticipate increasing our space at those points in order to provide for distribution of more mail in the terminals rather than on the railroad lines.

Now, preceding a little further in the hearings I find this statement under the title of Mr. Cissler:

May I add, Mr. Chairman, that in this increase we ask for there will be a certain amount of economy in the service affected.

Mr. Chairman, I trust that in view of these facts, namely, the necessity for the increase in floor space and the importance of facilities in the Railway Mail Terminal Service, and the fact that the testimony of the Department heads indicates that there will be a very substantial saving eventually as a result of such a program, that the committee will go along with me in this amendment to increase the amount on page 61 by \$5,000, to a total of \$460,000, which was requested by the head of the Department.

Mr. TABER. Mr. Chairman, I rise in opposition to the amendment.

The items of increase requested by the Department amounted to \$5,000 for Buffalo, \$800 for Columbus, \$5,500 for Council Bluffs, a thousand for Indianapolis, and a thousand for Louisville, or a total of \$13,300. There was said to be a saving at Milwaukee of \$8,500. This leaves a net increase of \$4,800.

The committee allowed a \$5,000 increase over last year on the basis of that testimony or \$200 more than the hearings justified.

I hope the Committee will not increase this bill to the extent of \$5,200 more than the hearings justified.

Mr. WEARIN. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Iowa.

Mr. WEARIN. The gentleman is taking into consideration only the savings at Indianapolis. There will be savings at other points where other terminal facilities are contemplated.

Mr. TABER. I am taking into consideration a deduction from this appropriation at Milwaukee only. I am taking into consideration the increases at these other places that will be required for rental.

We have already allowed \$200 more increase than the Department told us would be necessary. There was no reason for them to hold back anything because the Budget estimate is the amount the gentleman asked for, but their justification, with the field wide open, did not come within \$5,200 of justifying the appropriation that the Budget allowed, so we cut off \$5,000.

Mr. WEARIN. If the gentleman will yield for a brief statement, I still insist he is taking into consideration only the savings to be effected at one terminal point. There will be savings at all terminal points.

Mr. TABER. Then the amount we carry in the bill is too much at that rate.

Mr. Chairman, I ask that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. WEARIN].

The question was taken; and on a division (demanded by Mr. WEARIN) there were—ayes 14, noes 35.

So the amendment was rejected.

The Clerk read as follows:

Foreign-mail transportation: For transportation of foreign mails by steamship, aircraft, or otherwise, \$14,787,275: *Provided*, That not to exceed \$10,842,275 of this sum may be expended for carrying foreign mail by aircraft under contracts which will not create obligations for the fiscal year 1940 in excess of such amount: *Provided further*, That the Postmaster General is authorized to expend such sums as may be necessary, not to exceed \$170,000, to cover the cost to the United States for maintaining sea post service on ocean steamships conveying the mails to and from the United States including the salary of the Assistant Director, Division of International Postal Service, with headquarters at New York City: *Provided further*, That not to exceed \$12,000 of this appropriation shall be available for expenses of delegates designated from the Post Office Department by the Postmaster General to the Congress of the Universal Postal Union to be held during the fiscal year 1939, to be expended in the discretion of the Postmaster General and accounted for on his certificate notwithstanding the provisions of any other law.

Mr. DITTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, since taking my seat in the House I have sought to retain the friendship and good will of the Members on both sides of the aisle.

I thought I was paying the distinguished gentleman from New York [Mr. MEAD] a compliment when I resorted to the use of a word which apparently is not acceptable to him. In view of the fact that he does take exception to it, I preface my remarks now by tendering him my sincere apology for the pain which I have caused him. I would not offend him nor any Member. I refer him to a definition of a demagogue.

I find that Webster tells us that a demagogue is a leader, an orator, popular with or identified with the people.

I have looked upon my distinguished colleague from New York [Mr. MEAD] as a brilliant orator. The power of his appeal and the eloquence of his oratory have been persuasive and convincing. I have admired him. I do admire him. I always looked upon my distinguished colleague from New York [Mr. MEAD] as a leader, one to whom this group of postal employees might look with hope. I am disappointed if I have been mistaken either in looking upon him as an orator or a leader.

Probably a sense of humility prompts my distinguished friend to take exception to the compliment I tried to pay him. I hope that his rejection of my complimentary effort was not due to his misunderstanding of the term which I applied to him. I repeat here today my apology if I was mistaken in assuming that he is a leader and an orator. I believe him to be both. If I have wounded his fine feelings, I tender to him my apologies and genuine regrets.

Mr. MEAD. Will the gentleman yield?

Mr. DITTER. In just a moment.

Mr. Chairman, as to this outburst of enthusiasm from the gentleman from Pennsylvania, I am not at all surprised. There is no more jittery group of Members in this House than the Democrats from Pennsylvania at the present time, and they all know why they are jittery. They are being put on the spot every day. I wish I had the roll so that I could call their names to determine whether they are in the vest pocket of a certain distinguished gentleman whose name appeared recently in one of the popular magazines. Some want to get in the vest pocket; others are eager to jump out.

I am not surprised at these friends of mine, and I express for them my high regard just as they expressed it for me; but I believe I can be more sympathetic to them than they can be to me. They are exceedingly nervous these days. They are being counted. They are vest-pocket men or non-vest-pocket men. Have you seen them gather in groups, small groups, whispering to each other, pouring out their secrets, the secrets of their souls in admitting or denying that they belong to the vest-pocket edition?

I now yield to the gentleman from New York [Mr. MEAD].

Mr. MEAD. May I say I am very glad that the gentleman took time to look up and acquaint himself with the definition of the word. I trust it will guide him in his future use of the term.

Mr. DITTER. I knew what the word meant. I always used it so, sir. [Applause.]

[Here the gavel fell.]

The Clerk read as follows:

Contract air-mail service: For the inland transportation of mail by aircraft and for personal services for examining and auditing the books, records, and accounts of air-mail contractors, as authorized by law, and for the incidental expenses thereof, including not to exceed \$31,200 for supervisory officials and clerks at air-mail transfer points, and not to exceed \$53,700 for personal services in the District of Columbia and incidental and travel expenses, \$15,800,000.

Mr. CARLSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARLSON: On page 63, line 8, after the word "expenses", strike out "\$15,800,000" and insert in lieu thereof "\$16,000,000."

Mr. CARLSON. Mr. Chairman, I assure you it is not with pleasure I come before you and ask an increase in the air-mail appropriation. We already have an increase in this air-mail appropriation of \$1,300,000, but it does not grant 1 mile of new air-mail service. I find one route is transferred from foreign Air Mail Service to the domestic Air Mail Service, the route from New York to Montreal. This is a distance of 330 miles. It seems to me this is most unfortunate in view of the amazing development of air mail and the popular demand for new route service.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from Indiana.

Mr. LUDLOW. We are thoroughly sympathetic with the gentleman's idea in regard to the extension of the Air Mail Service, but we have given this Service in this bill all that can be appropriated under the statutory limitations of 32,000 route miles and 45,000,000 flown miles. In fact, we have given more, and we have anticipated an increase.

Mr. MEAD. If the gentleman will permit an interruption, which I know will clarify the record, I may say the President signed last evening the bill which permits the expansion of the Service.

Mr. LUDLOW. I may say to the gentleman I did not know the bill had been signed, but even so, I believe it is a matter which ought to be attended to at the other end of the Capitol, since we have gone this far with the bill. We have gone the very limit of the amount estimated.

Mr. CARLSON. I am pleased to state this bill has been signed by the President since the hearings were held. I want to come before the House this afternoon and express a protest against freezing the Air Mail Service in the United States. I do not believe we should do it at this time, and there are many reasons for not doing so.

It is not my intention, nor will I have the time, to trace the rapid growth and amazing development of the Air Mail Service, but will call your attention to a few figures. The air-mail poundage increased from 6,000,000 pounds in 1934 to 19,500,000 pounds in the fiscal year closing June 30, 1937. In 1934 the postal revenue for air mail was \$5,737,536, while in 1937 the receipts had reached the grand total of \$12,439,577.24. Using the same years, we find that the excess of direct expenditures over revenues were \$7,341,340.37 in 1934, and in 1937 this figure had narrowed to \$1,638,821.61. The popularity of the Service is rapidly growing, and I note in the testimony before your committee that the Post Office Department is conducting an advertising campaign which should greatly increase the revenue for this Service. When one realizes that the postage for air mail has dropped from 18 cents in 1918 to 6 cents at the present, there can be no question but what this Service should be greatly extended.

It is stated in the testimony that an increase of one air-mail letter a day at the 46,000 post offices in the United States will mean an increase of \$1,000,000 per year in revenue.

There are 80 cities in the United States of 100,000 population or over which do not have air-mail service. There are hundreds of cities of a population of 15,000 to 25,000 which do not have air-mail service, and this at a time when I believe we ought to be training aviators. Here is an opportunity to render a domestic service and keep our pilots, our airplanes, and our airports in shape.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from Kansas.

Mr. HOUSTON. If the gentleman's amendment is agreed to, will it be possible to restore some of the old air-mail routes, say, from Kansas City to Denver?

Mr. CARLSON. I may call the gentleman's attention to page 186 of the hearings, where Mr. Graddick testified as follows:

Mr. GRADDICK. We had planned to advertise routes or to extend routes between San Antonio and Houston and Houston and Brownsville; between Kansas City and Denver or Wichita and Pueblo; between Jacksonville and New Orleans, or Jacksonville and Mobile; and between Detroit and Sault St. Marie, Mich. We had planned an extension from Pembina to Winnipeg, and then, if there was any money left, we were to give consideration to some service between Memphis and Tampa.

Mr. LUDLOW. You mean that because of the statutory limitation they have not been installed.

Mr. GRADDICK. Yes, sir.

Mr. LUDLOW. But you could add frequencies, although you could not establish new routes.

Mr. GRADDICK. We could not put on more frequencies, either.

Mr. LUDLOW. You did put them on, did you not?

Mr. GRADDICK. We did up to the point permissible under the 45,000,000-mile limitation.

Mr. HOUSTON. If the gentleman's amendment is passed, is there any assurance these routes will be put into operation?

Mr. MEAD. If the present appropriation goes through, there will not be another mile added.

Mr. HOUSTON. But if this amendment is adopted?

Mr. MEAD. Yes.

Mr. HOUSTON. Then, I shall be pleased to support the gentleman's amendment.

Mr. CARLSON. I hope the Committee will give this amendment serious consideration and not freeze the air mileage in the United States at this time.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. Is not the gentleman of the opinion our air-mail service—that is, the number and direction of air-mail lines—should be extended north and south? The emphasis heretofore has been on east and west lines, especially in the far West. I believe the efficiency and value of the transcontinental east and west air lines could be greatly increased by uniting them with connecting links and the between regions reached.

Mr. CARLSON. I want a complete network of air-mail service in the United States.

In this day of speed the demand for this service is coming from cities with a population of ten, twenty-five, and fifty thousand people. The Air Mail Service not only performs a valuable public service but is of vital importance and might be considered a part of our national defense.

Within a few days we are going to consider greatly increased appropriations for our Navy. It is possible this Congress will authorize the construction of one or more battleships, costing \$60,000,000 each. It occurs to me we might well spend some of this money, which would not only give us a valuable service at home but would be very valuable in our program of national defense.

On page 549 of the hearings, I quote from the testimony of Col. Edgar G. Gorrell, president of the Air Transport Association of America.

Colonel GORRELL. Yes. In my opinion it would annually cost the Government approximately \$50,000,000 to maintain from military appropriations an air base equivalent to that owned by the air-mail carriers. The air-mail planes of the domestic companies, of which you have the reserve use, represent approximately 35 or 40 squadrons of transport and cargo airplanes. * * * I have estimated for you that it would cost America approximately \$50,000,000 to train a number of experts similar to the number now employed by the air lines. Furthermore, they would not be so well trained, because emergency training would of necessity be very rapid.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from Indiana.

Mr. LUDLOW. I may say to the gentleman we have given every dollar the Budget estimated.

Mr. CARLSON. That is very true, I may say to the gentleman.

Mr. LUDLOW. These things ought to be proceeded with in an orderly way. The gentleman should go to the Budget and get an estimate on his proposition.

Mr. CARLSON. That is very true, Mr. Chairman, but we have had an authorization to increase the air mileage of the country. Last year the Senate authorized an increase of \$250,000 to take care of this appropriation.

Mr. LUDLOW. May I state the gentleman has plenty of time to go about this in the regular way. He should go to the Budget and get an estimate, and then come up here with his proposition.

Mr. CARLSON. I trust the Committee will keep this in mind, and I seriously hope it will grant this increase. It might be that should we curtail the air-mail extensions at this time we would be penny-wise and pound-foolish.

Before concluding I want to call special attention to one of the needed routes mentioned by Mr. Graddick in his report before the committee, namely, the Kansas City-Denver route. On June 2, 1937, I called the attention of the House to the need for the Kansas City-Denver air-mail service as mentioned by Mr. Graddick in his testimony before your committee. With your permission I shall read my statement of June 2, 1937, which is found on page 5248 of the CONGRESSIONAL RECORD:

At present I want to call the attention of the House and the country to the need for an air-mail service between Kansas City and Denver, Colo., a distance of 560 miles. This service is badly needed to serve the commercial needs between these cities, which are the largest and most important from the Missouri River to the Pacific coast. This service, if established, would furnish air mail and commercial aviation to Topeka, the capital city of Kansas, which is not now being served, as well as such other cities as Lawrence, Manhattan, Junction City, which is located near Fort Riley, the military post, Abilene, and Salina, and would traverse the route over county-seat towns in every county to the Colorado line. Much money has been spent by the Federal Government in improving airports in all of these cities, and the natural terrain of the country is conducive to safe flying. Kansas City, including Kansas City, Kans., has a combined population of over 550,000. Denver has a population, including its metropolitan area, of over 325,000 people, and this service if established would be of benefit to several million people in and contributory to that territory. Topeka is the capital city of Kansas, has a population of approximately 80,000, and at the present time houses a large number of Federal bureaus, which would be greatly benefited by air-mail service. Salina is a city of approximately 20,000, has extensive commercial interests, and is a large milling center which is badly in need of air mail. It is also the headquarters for the Soil Conservation Service for the States of Kansas, Nebraska, and Oklahoma, and I am informed that should air-mail service be established, it would greatly reduce the communication costs of this agency.

I also want to call to the attention of the House the fact that the State of Kansas is at present crossed by only one air-mail route and it crosses the southeast fourth of the State, and additional route mileage is badly needed.

Mr. Chairman, I sincerely hope the Committee will give this route serious consideration.

[Here the gavel fell.]

Mr. MICHENER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the procedure today is reminiscent of much that took place in the House immediately succeeding the creation of the Appropriations Committee as now constituted and the adoption of the Budget system. I hope this procedure is not indicative of that which is going to take place as the several appropriation bills come before the House. May I suggest to the majority leadership, however, that its plain duty is to have sufficient Members on the floor at all times to protect its bills. That is not the case today.

In the first place, a legislative committee, if it is a good committee and works hard in behalf of its particular department, necessarily becomes an advocate of the special interests which it represents on the floor of the House. It thinks in terms of the activity of its particular department sponsored. It is a special pleader. Therefore, every legislative committee, in a sense, is an advocate of the interests it represents here. It makes no difference whether it is the Post Office Committee, the Naval Affairs Committee, the Military Affairs, Rivers and Harbors, or what not. It is not of judicial temperament so far as concerns the matters in which the committee is promoting. The Congress, recognizing this condition, set up the Budget system and one appro-

priating committee without power to consider or report proposed legislation other than making appropriations.

Shortly after the Budget system came into operation, when many appropriation bills came up for consideration the legislative committees of the House "ganged up," so to speak, against the Committee on Appropriations, and loaded the bills with amendments by logrolling and cooperation between legislative committees, so much so as almost to threaten the effectiveness of the Budget system.

Today we are considering a bill presented by a disinterested committee, the Committee on Appropriations, which is attempting to join with those who are so inclined, in an effort to balance the Budget, and this bill is being hamstrung by partisan efforts. When I say "partisan" I do not mean politically partisan, because the amendment last offered, with the intent of increasing an appropriation, was offered by a Republican member of the Post Office Committee. The members of this Post Office Committee have already added more than \$2,000,000 to this bill. We are increasing the expenditures rather than reducing. I hope the President is sincere in his statements that he is endeavoring to balance the Budget. He has put it up to Congress and for one I shall not be responsible for any unnecessary expenditures. We all want to help the post-office employees, but the President has sounded the warning that the very credit of our Government is threatened by our prodigal spending. This is no time to increase the cost of the Post Office Department or any other department. These employees are the best and they do not want increases that will imperil their Government.

I hope, Mr. Chairman, the Committee will stop, look, and listen, because we all know the Budget must eventually be balanced. We all know we cannot have our cake and eat it, too. We all know the things suggested here by the Committee on the Post Office and Post Roads are largely, if not all, advisable, and we would all like to see them consummated. Possibly none of us have all the luxuries or all the conveniences we would like. Our desires, however, must be controlled by our finances. We cannot live beyond our means. Neither can our Government. It is easy to vote for appropriations, because that pleases some group of constituents. It takes courage to deny money where money can be usefully spent and when some group of voters in our respective districts will be disappointed. The country has reached the crossroads in this matter of spending. Even so careless a spender as the President sounds the alarm. Repudiation or destructive inflation is inevitable unless we give heed now. I have as many telegrams as any of the committee urging these increases, but the senders do not have all the information this committee has. This responsibility is on the House. Are we courageous enough to arise to the necessities of the hour? The clock has struck. The people are demanding economy in Government. We are the people's hired men. Will we do the task at hand, or will we yield to group pressure or political expediency?

Oh, something was said about relief. Yes; we will have bills here later on for relief. Like many other Members of the House, I believe in caring for human need first, conveniences second, luxuries third. The depression is with us again and we will be called upon before long to appropriate more money for relief. Necessary relief cannot be denied. That spending is essential. The amounts carried in these amendments are not necessary in view of present conditions. If other legislative committees follow the example of the Post Office Committee and load up the appropriation bills with these vast amounts, then our financial doom is sealed. The postal employees are patriots first. In many cases they should have increases and the Budget and the Appropriations Committee have given all consideration that can be given in the light of the necessities of the Treasury and ability of the taxpayer. [Applause.]

Mr. O'NEAL of Kentucky. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to discuss for a moment again the present situation with reference to this bill.

Your committee met in December and for 6 weeks labored on every item in the measure. There has not been an argument presented on this floor in behalf of any item in the bill that did not come before our committee, as I recall. Not only presented by those who want these amendments, but the other side was also considered, and, after a great deal of laborious study, the committee managed to effect an economy of approximately \$3,000,000 in this bill.

On the floor of this House today there has been a majority voting for amendments, and they have put in this bill today \$2,326,000, which leaves a saving so far effected of \$559,000. This is the result of the work that your committee has done. This is the value to the House of Representatives of the services rendered over the weeks of time that your committee put in.

Here we have another amendment offered which would reduce the present saving of \$559,000 to \$359,000. This would be all that would be left. The gentleman makes, as many of the other arguments, an interesting comment, tells a very good story; but, Mr. Chairman, the expenditure of money requires more than just sympathy. It requires more than a first opinion. It requires more than just a few arguments made by one side. It does seem to me that the business judgment of this House would say that the orderly way to do this is to bring the amendment the gentleman has before the Budget and before our subcommittee or some other committee and have it gone into in a businesslike way so we may have the entire matter presented to us.

I therefore suggest that we try to save a little under this bill, that we try not to reduce further the \$559,000 of economy that the bill now has in it, by voting down this \$200,000 additional.

I hope the committee will vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. CARLSON].

The question was taken; and on a division (demanded by Mr. CARLSON) there were—ayes 23, noes 36.

So the amendment was rejected.

Mr. RANDOLPH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 63, line 8, strike out "\$15,800,000" and insert "\$15,900,000."

Mr. RANDOLPH. Mr. Chairman, during the hearings before the subcommittee of the Committee on Appropriations dealing with the Post Office appropriation bill there appeared at that time the Honorable W. W. Howes, the First Assistant Postmaster General of the United States. In a colloquy and by questioning by my colleague from West Virginia [Mr. JOHNSON], a member of that committee, Mr. Howes made the following statement:

The time will come, I presume, when there will be such advancement made in airplanes and in the art of aviation that there will have to be big ships and fast ships, that will only stop maybe at a very few places between the coasts. Then there will probably have to be feeders come in. We will have to serve our ports that cannot take the big ships with smaller ones and feed into the big ones. I suppose that is what it will eventually come to.

The reason I offered this amendment for an additional appropriation of \$100,000 is to bring to the attention of the membership of the House the actual amount necessary now to go forward with the progress of aviation in this Nation. I want the \$100,000 to be used specifically if at all possible, and I am not certain it could be, by those in charge of the Post Office Department, for experimental feeder-line and auxiliary air-mail services in the United States. We passed in this body in the first regular session of the Seventy-fifth Congress authorization for feeder service and for experimental lines, which would go into smaller cities and mountain territories now inaccessible, and therefore spread out the arms of aviation and make this Nation conscious of air mail and what it means to smaller communities which are today outside of this service because of the fact that their airports are not sufficient to handle the large planes which operate. Mr. Hildebrandt would put in a new paragraph and add an

amendment which would cover the subject if the Senate passes the bill, which the gentleman from Pennsylvania [Mr. HAINES] sponsored and which passed this body.

I hope that the Committee this afternoon will vote for this increase of \$100,000, with the idea that the Post Office Department might accept it as an opinion from this House to the effect that we want to see experimental feeder lines operating in the United States as an adjunct, or as an addition, to the great Air Mail Service now carried by the transport lines in this country.

The reports which went out from Mr. Howes the other day and were carried in the newspapers said that we were going to have only large air lines operating with great transport planes from coast to coast, and landing in but few places. I do not believe that Mr. Howes wanted that impression to go abroad in the country. Aviation tomorrow is not going to be so much great transports operating from coast to coast, but it will be through feeder lines, and the small services with planes operating into the now inaccessible parts of the country. That, Mr. Chairman, is the only sound way that we can build up an efficient air-mail service in the United States.

Mr. HAINES. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. Yes; I yield to my friend.

Mr. HAINES. I think the Department will likely put into operation this experimental feeder service. I think the gentleman witnessed a demonstration of picking up mail without stopping at the cities. That would give adequate expedition of mail to many small communities that have no advantage in buying air-mail stamps.

Mr. RANDOLPH. That is true. Dr. Lyle Adams, of Irwin, Pa., has experimented to a successful degree with a type of pick-up service where the plane does not have to alight, but takes the mail from a mechanical contrivance some 25 feet above the ground.

Mr. MEAD. Instead of increasing the expenditures of this Service this will, in my judgment, increase the revenues.

Mr. RANDOLPH. I think so, and I feel that the \$100,000 which could be expended by the Post Office Department on experimental air-line feeder lines would be a real contribution to the cause of air-mail service, and the cause of commercial transport aviation in the country, and I plead with the membership of the Committee to vote for this amendment, which will be a step forward in this needed development.

Mr. EDMISTON. Is it not true that only two cities in West Virginia have the air-mail service?

Mr. RANDOLPH. Yes; I am glad you mention the fact. In West Virginia we have a mountainous terrain, which makes it very difficult to get adequate service into most cities. We need badly, and as soon as possible, an expanded service.

Mr. McGRANERY. Mr. Chairman, I move to strike out the last word. I was quite interested this afternoon in listening to my distinguished colleague from Pennsylvania [Mr. DITTER] speak about the Pennsylvania delegation with reference, I suppose, directed mainly to this side of the House. I was not a Member of the House when the State of Pennsylvania sent a huge block of Republicans to the House of Representatives, though the gentleman from Pennsylvania [Mr. DITTER] was. I now see it all very clearly. The gentleman speaks as though we might be a little bit snobbish and not desire his company on this side. He has become lonesome over there, and I regret that I did not take the opportunity to say something to him earlier and to invite him into our group before this time. I have enjoyed Mr. DITTER's society for many years.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. McGRANERY. I have known Mr. DITTER as a distinguished member of our bar, back in Philadelphia.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. McGRANERY. I have enjoyed his company on many occasions. I did not get quite clearly whether he said that the Pennsylvania delegation, when he speaks, might be

either "Dittery" or "jittery"; but I can assure him that the delegation is neither "Dittery" or "jittery." [Laughter.]

Mr. DITTER. Now will the gentleman yield?

Mr. McGRANERY. I say to my distinguished colleague about these little groups of Pennsylvanians that he sees before him here, that when he sees them gather I do not want him to turn on his heel and go the other way, I want him to come right into that little group. He will find much enlightened discussion and a hearty welcome. I say to my distinguished friend that when he comes along, come right in. I like him on the outside; I like him on the inside; and I think there is hope that some day, even though tarred with the stick of the former Senator Grundy—and, of course, my distinguished friend is not only allied with the former Senator Grundy but one of his close neighbors at home—but I think there is still hope that my good friend may see the light; and when he comes into our group I can assure him a hearty welcome. I sincerely hope that he will avail himself of this at the earliest moment. [Applause.]

Mr. DITTER. Now will the gentleman yield?

Mr. McGRANERY. I yield to my friend.

Mr. DITTER. Does the gentleman invite me into the vest-pocket edition or the unabridged edition of the Democratic group of Pennsylvania?

Mr. McGRANERY. I can only say in answer to the gentleman that he was a Member of the House on his side of the aisle when the great—now deceased—Senator Penrose cracked the whip, and at that time it was entirely impossible for little groups of Members of the great State of Pennsylvania to gather together to discuss any matter which after all might not meet with the approval of their leader, whom history records them as following blindly [laughter], but I do not know of any such set-up existing today. [Laughter and applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from West Virginia.

Mr. Chairman, there is no recommendation from the Budget covering this item. I hope the amendment will not be adopted. It is exactly similar to an amendment that was voted down, but less in amount.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia.

The question was taken; and on a division (demanded by Mr. RANDOLPH) there were—ayes 27, noes 45.

So the amendment was rejected.

Mr. HILDEBRANDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HILDEBRANDT: Page 63, after line 8, insert the following paragraph:

"Experimental air-mail service: For use in conducting or procuring, by contract or otherwise, experiments and experimental services for the purpose of further developing safety, efficiency, and economy of air-mail transportation, including the procurement of necessary personal services in the District of Columbia and elsewhere, and of devices and equipment, notwithstanding that such device or equipment may be patented, \$100,000."

Mr. LUDLOW. Mr. Chairman, I make a point of order against the amendment.

Mr. HILDEBRANDT. Mr. Chairman, will the gentleman reserve his point of order?

Mr. LUDLOW. Yes. Mr. Chairman, I do not make the point of order at this time, but I reserve a point of order against the amendment.

Mr. HILDEBRANDT. Mr. Chairman, the amendment I have offered is in the interest of safety, efficiency, and economy and will provide funds for experimental air-mail service. I trust the committee can see its way clear to accept the amendment. By adopting this amendment the Post Office Department can carry on experimentation that will, I am sure, revolutionize air-mail service. There are many reasons why certain cities and towns cannot be given air-mail service but by providing the Post Office Department with funds for experimental purposes, auxiliary or feeder air-mail service could be established giving such service to many of

these cities and towns now denied air service. These auxiliary or feeder routes would increase the volume of air mail which would be delivered at some point for the regular air-mail contractor to pick up. This would increase air-mail revenue and cut down still more on air-mail subsidies. At the present time our air-mail revenue income is almost that of the outgo and will be on a paying basis in the very near future. In establishing auxiliary or feeder routes, lighter planes could be used which would not require the long runways necessary for heavier planes to insure safety. In fact, there is now air service in operation that does not require landing fields en route but just an open field to carry on their operations. I hope the amendment will be accepted.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. HILDEBRANDT. Yes.

Mr. RANDOLPH. I certainly think the gentleman is absolutely right in his argument. I called the attention of the committee to the fact that during the past year as subsidies to steamship lines for carrying the mail the Government paid something in excess of \$10,000,000, whereas to carry the air mail by transport planes we had a loss of only \$400,000. Certainly, the Members of this House are increasingly going to realize that the aid we give to commercial aviation in this country will stand us in good stead not only from the standpoint of lessened expenditure of funds but as a line of defense which this Nation will increasingly need in the days that are to come.

Mr. HILDEBRANDT. I am sure that everybody here knows that it is going to be necessary to increase the auxiliary and feeder routes for the Air Mail Service. None present but who is conversant with the situation so far as increasing air-mail revenue is concerned by feeder and auxiliary groups.

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. HILDEBRANDT. Certainly.

Mr. MEAD. And the gentleman's amendment will not cost any money, if I understand it correctly.

Mr. HILDEBRANDT. No; it will not cost any money.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. HILDEBRANDT. I yield.

Mr. MURDOCK of Arizona. Is it not the gentleman's opinion that we are today in the same position of pioneering and developing the interior of this country that we were 70 years ago at the time of the pony express? The Postal Service must help carry on this pioneering now, and this is especially the task of the Air Mail Service in this generation.

Mr. HILDEBRANDT. Aviation is in its infancy.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. HILDEBRANDT. I yield.

Mr. TABER. Why did the gentleman from Virginia propose to add \$100,000 to the bill if this proposition is not going to cost any money?

Mr. HILDEBRANDT. Such money as it may cost will be more than offset by increased revenues from these feeder and auxiliary routes, and I hope that the distinguished chairman of the subcommittee, the gentleman from Indiana, will not insist upon his point of order.

Mr. LUDLOW. Mr. Chairman, I dislike very much to make a point of order against the amendment of the gentleman from South Dakota. He has made a splendid fight for his proposal, but my subcommittee must protect the bill.

The point of order is that this is not authorized by existing legislation. A bill authorizing this has passed the House, but has not passed the Senate. Therefore there is no authorization.

The CHAIRMAN. The Chair is ready to rule.

There has been no authorizing bill passed for this particular item. The proposed paragraph provides for an experimental service in connection with the air mail, which is legislation in an appropriation bill.

The point of order is sustained.

Mr. DUNN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am mighty glad to have an opportunity to vote on amendments to H. R. 8947—the Treasury-Post Office Departments appropriation bill, which will benefit the postal and other Federal employees. Many of our postal employees, as well as other Federal employees, are receiving insufficient compensation for the valuable services they render.

There has been a great deal of talk about balancing the Budget. It seems to me, if we would consume one-fourth of the time in devising ways and means to balance the people's stomachs with good substantial food we would make a great deal more human progress. There is not any reason why any person in the United States or throughout the world should be deprived of the necessities of life. We have a great abundance of everything; in fact, more than we can consume. The trouble is, it is in the hands of a few individuals, and those individuals who own and control 96 percent of our natural resources are also the people who control the legislative bodies throughout the world. Every person who is employed by the Federal Government, no matter what kind of work he or she is required to do, is justly entitled to a living wage—in fact, all people who are compelled to work for a livelihood, no matter where they are employed, should be given a living wage. I hope the time is not far off when the majority, and not a small minority, will be the possessors of the natural resources of this world. When that time comes to pass, humanity will get the consideration to which it is justly entitled.

The Clerk read as follows:

Post-office stationery, equipment, and supplies: For stationery for the Postal Service, including the money-order and registry system; and also for the purchase of supplies for the Postal Savings System, including rubber stamps, canceling devices, certificates, envelopes, and stamps for use in evidencing deposits, and free penalty envelopes; and for the reimbursement of the Secretary of the Treasury for expenses incident to the preparation, issue, and registration of the bonds authorized by the act of June 25, 1910 (39 U. S. C. 760); for miscellaneous equipment and supplies, including the purchase and repair of furniture, package boxes, posts, trucks, baskets, satchels, straps, letter-box paint, baling machines, perforating machines, duplicating machines, printing presses, directories, cleaning supplies, and the manufacture, repair, and exchange of equipment, the erection and painting of letter-box equipment, and for the purchase and repair of presses and dies for use in the manufacture of letter boxes; for postmarking, rating, money-order stamps, and electrotype plates and repairs to same; metal, rubber, and combination type, dates and figures, type holders, ink pads for canceling and stamping purposes, and for the purchase, exchange, and repair of typewriting machines, envelope-opening machines, and computing machines, numbering machines, time recorders, letter balances, scales (exclusive of dormant or built-in platform scales in Federal buildings), test weights, and miscellaneous articles purchased and furnished directly to the Postal Service, including complete equipment and furniture for post offices in leased and rented quarters; for the purchase, repair, and replacement of arms and miscellaneous items necessary for the protection of the mails; for miscellaneous expenses in the preparation and publication of post-route maps and rural delivery maps or blueprints, including tracing for photolithographic reproduction; for other expenditures necessary and incidental to post offices of the first, second, and third classes, and offices of the fourth class having or to have rural delivery service, and for letter boxes; for the purchase of atlases and geographical and technical works not to exceed \$1,500; for wrapping twine and tying devices; for expenses incident to the shipment of supplies, including hardware, boxing, packing, and not exceeding \$57,000 for the pay of employees in connection therewith in the District of Columbia; for rental, purchase, exchange, and repair of canceling machines and motors, mechanical mail-handling apparatus, accident prevention, and other labor-saving devices, including cost of power in rented buildings and miscellaneous expenses of installation and operation of same, including not to exceed \$35,000 for salaries of 13 traveling mechanics, and for traveling expenses, \$2,700,000: *Provided*, That the Postmaster General may authorize the sale to the public of post-route maps and rural delivery maps or blueprints at the cost of printing and 10 percent thereof added: *Provided further* That no part of this appropriation shall be expended for the purchase of furniture and complete equipment for third-class post offices except miscellaneous equipment of the general character furnished such offices during the fiscal year 1931.

Mr. BURCH. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BURCH: Page 66, line 12, after the word "added", insert a period and strike out the remainder down to and including line 16.

Mr. BURCH. Mr. Chairman, may I say at the start there is no increase in the appropriation involved in my amendment. The language that would be stricken by my amendment reads as follows:

Provided further, That no part of the appropriation shall be expended for the purchase of furniture and complete equipment for third-class post offices except miscellaneous equipment of the general character furnished such offices during the fiscal year 1931.

With this proviso in the bill the Fourth Assistant Postmaster General is not permitted to recondition lock boxes that have been taken out of old buildings, or out of buildings into which they have put improved equipment. They cannot recondition those boxes and supply them to the third-class postmasters.

Mr. HAINES. Will the gentleman yield?

Mr. BURCH. I yield to the gentleman from Pennsylvania.

Mr. HAINES. Is it not true we have over \$100,000 worth of second-hand boxes now on hand that could be reconditioned and it would save the Government a considerable amount of money?

Mr. BURCH. It is true we have over 50,000 boxes that have been taken out of these post offices which cannot be reconditioned now except to a small extent. The value of that property, as I understand it, is from \$150,000 to \$200,000.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. BURCH. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. Do I understand the third-class post offices are not permitted to have these reconditioned boxes, according to the present practice?

Mr. BURCH. Under the existing law they either have to purchase these boxes at an enormously high price or pay an unreasonable rental. I have letters from postmasters which show that they pay rentals amounting to as much as 18 to 20 percent of the value of the outfit.

Mr. MURDOCK of Arizona. I find from the postmasters of my State a demand for the very thing the gentleman is proposing. We have many post offices of that class in Arizona and the burden is heavy upon the postmasters. I see no good reason why these postmasters should not be relieved by saving this equipment.

Mr. BEITER. Will the gentleman yield?

Mr. BURCH. I yield to the gentleman from New York.

Mr. BEITER. The amendment which the gentleman has offered is a very good amendment and should appeal to all those gentlemen who stand for economy. I assume the gentlemen on the right hand side of the aisle will support the amendment in view of the statements they have made this afternoon. Is there any particular reason why a law such as that should exist on the statute books at this time? Is there any reason why those boxes cannot be used?

Mr. BURCH. I do not see any reason and I am going to leave it to the great chairman of the subcommittee to tell us when he replies to what I have to say.

Mr. MEAD. Will the gentleman yield?

Mr. BURCH. I yield to the gentleman from New York.

Mr. MEAD. The amendment that you are trying to have adopted merely eliminates an inhibition which prevents the Post Office from salvaging their own property. The gentleman is trying to get away from a bad situation which forces the third-class postmasters to pay exorbitant rates for the rental of this equipment that could be provided over a long period of time at little or no expense by the Government from the same equipment that has been salvaged out of first- and second-class offices.

Mr. BURCH. That is true; and may I say further that I am in favor of economy. I believe if my amendment is adopted it will result in economy.

Mr. ASHBROOK. Will the gentleman yield?

Mr. BURCH. I yield to the gentleman from Ohio.

Mr. ASHBROOK. It is a fact that the Government does not provide any equipment for third-class post offices, and the gentleman is trying to help the third-class post offices to have this equipment furnished to them out of salvaged equipment from first- and second-class offices?

Mr. BURCH. From equipment that is now being thrown aside. May I say if you eliminate this proviso it will only be a few years until all of the third-class postmasters will be able to have equipment. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is a matter with which the subcommittee is thoroughly familiar. If you want to put the Government in business with a vengeance you should adopt this amendment. This is simply an entering wedge to put the Government into business on a monumental scale.

This inhibition was carried in the bill long before I became chairman of the subcommittee. It was written at the direction of Mr. Byrns when he was chairman of the subcommittee. It was approved by Mr. ARNOLD, who followed him as chairman of the subcommittee, and in every instance the subcommittee backed the chairman. This proviso has been carried in the bill for years and years.

When this was first presented to the subcommittee, long ago, when Joseph W. Byrns was chairman, it was testified by officials that it was an initial step in a program that would cost \$10,000,000. If you want to strike out this proviso and foist a program involving \$10,000,000 on the people of the country, and at the same time put the Government into business at a tremendous ultimate cost to the taxpayers, you could do so by adopting this amendment. I have great respect for the gentleman who offers the amendment, but if Members of the House understood its implications I do not believe it would get a vote. If you want to keep the Government out of business, and it is too much in business now, then do not adopt the amendment.

There are 10,000 of these post offices throughout the country. The original proposition was to take them up 100 at a time and equip them at Government expense, making fair-haired favorites of a little bunch and denying the opportunity to others, but this would carry the program to the point where it would ultimately cost \$10,000,000 and put the Government into business, as I say, at a tremendous cost to the already overburdened taxpayers. The late Speaker Byrns saw great harm in the proposal, and his objections to it are fully set forth in the committee hearings of former years.

This is not merely a simple reconditioning program of which the gentleman speaks, but a program of supplying new furniture and putting the Government into the post-office-furniture manufacturing business. Automobiles might be the next thing, or any other article the Government furnishes. Do you want to put the Government into business in competition with the enterprises of your districts and start it on that sort of a campaign at a cost of \$10,000,000? I am sure no one wants to see this opening wedge inserted to put the Government into competition with business.

Mr. BURCH. In the hearings on the 1938 appropriation the Fourth Assistant Postmaster General appeared before the gentleman's subcommittee, and I notice he made the following statement at that time:

Mr. LUDLOW. There is no Government manufacturing involved? Mr. PURDUM. No, sir; none whatever. There is no repair work involved either. Mr. Chairman, I do not believe that the situation as it exists is equitable and just with reference to the postmasters of the Presidential class. I believe that the time will come when complete equipment will be furnished to offices of the third class by the Government, or a considerable part of the postal receipts will be paid out for the rental of equipment.

Mr. LUDLOW. There are 8 or 10 of these concerns throughout the country which manufacture post-office furniture. One of them, a very excellent concern, is located in my own city. I do not want to see it destroyed nor do I want to see any legitimate business institution in any other district destroyed. I am sure we do not want to see private

concerns put out of commission through Government interference, as that would be a very bad policy. Let us not establish that policy by our votes here today.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from New York.

Mr. TABER. Is it not a fact the cost of reconditioning boxes in the Government shop is very often much more than it would cost to buy new boxes?

Mr. LUDLOW. When you consider the overhead, certainly, it is.

Mr. TABER. On top of that, there are thousands and thousands of sets of this kind of equipment available at very low prices. It seems to me we ought not to undertake a \$10,000,000 program of this kind.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. What does the gentleman mean by a low price?

Mr. TABER. I know of postmasters who bought their equipment for less than \$50, and it is good equipment, too.

Mr. BULWINKLE. I know of postmasters whose equipment cost them over \$300.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. BURCH].

The question was taken; and on a division (demanded by Mr. LUDLOW) there were—ayes 39, noes 30.

Mr. LUDLOW. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. BURCH and Mr. LUDLOW.

The Committee again divided; and the tellers reported that there were—ayes 36, noes 28.

Mr. RICH. Mr. Chairman, I object to the vote on the ground a quorum is not present.

Mr. LUDLOW. Mr. Chairman, I make the point of order a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Ninety-four Members are present, not a quorum.

Mr. LUDLOW. Mr. Chairman, I move the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GREENWOOD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 8947) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1939, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include therein an address which I delivered before a conference of old-age pension groups in Washington, D. C., on January 10, 1938.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. DIRKSEN asked and was given permission to extend his own remarks in the Record.

HOOR OF MEETING TOMORROW

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MEDICAL AND DENTAL OFFICERS OF THE ARMY

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2463) to authorize an additional number of medical and dental officers for the

Army, with an amendment of the House thereto, and concur in the Senate amendment to the House amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

After the word "Corps" at the end of section 1 insert: ", and the authorized commissioned strength of the Army is hereby increased by 150 in order to provide for the increases herein authorized in the Medical and Dental Corps."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object—and I believe I will object at this time; it is late, we do not have a quorum present, and I have not had an opportunity to consult the members of the Committee on Military Affairs. Therefore I will object, unless the gentleman withdraws his request.

Mr. MAY. If the gentleman is going to object, Mr. Speaker, I may as well withdraw my request, because I have to have unanimous consent. I will bring the matter up at another time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. OWEN (at the request of Mr. BROWN), indefinitely, on account of illness.

To Mr. BIERMANN, for an indefinite period, on account of illness.

ADJOURNMENT

Mr. LUDLOW. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 19 minutes p. m.), under its previous order, the House adjourned until tomorrow, Tuesday, January 18, 1938, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 a. m., Tuesday, January 18, 1938. Business to be considered: Continuation of hearings on S. 69—train lengths. Mr. J. A. Farquharson, of the Railroad Trainmen, will be the first witness.

COMMITTEE ON THE DISTRICT OF COLUMBIA

The Subcommittee on Public Utilities of the House Committee on the District of Columbia, will meet at 10 a. m., Tuesday morning, January 18, 1938, in room 345, House Office Building.

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation, Tuesday morning, at 10 a. m., January 18, 1938, in the committee's hearing room, 128 House Office Building.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, January 18, 1938, at 10:30 a. m., to hold hearings on H. R. 8327, a bill to promote interstate and foreign commerce, to improve the navigability of the Lakes-to-the-Gulf waterway, and for other purposes.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings on H. R. 8532, to amend the Merchant Marine Act of 1936, and for other purposes, Tuesday, January 18, 1938, at 10 a. m.

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, February 1, 1938, at 10 o'clock a. m., on H. R. 8344, a bill relating to the salmon fishery of Alaska.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization in room 445, House Office Building, at 10:30 a. m., on Wednesday, January 19, 1938, for the public consideration of H. R. 8562 and H. R. 8569.

COMMITTEE ON PENSIONS

The Committee on Pensions will hold a hearing at 10:30 a. m., Friday, January 21, 1938, on H. R. 6289, granting a pension to certain soldiers, sailors, and marines for service in the War with Spain, the Philippine Insurrection, and the China Relief Expedition, and H. R. 6498, granting pensions to persons who served under contract with the War Department as acting assistant or contract surgeon between April 21, 1898, and February 2, 1901.

The Committee on Pensions will hold a hearing at 10 a. m., Friday, January 28, 1938, on H. R. 8690, granting a pension to widows and dependent children of World War veterans.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

996. A letter from the Secretary of Agriculture, transmitting a proposed amendment to the act of December 28, 1922 (Small Claims Act) (42 Stat. 1066); to the Committee on Claims.

997. A letter from the Secretary of Agriculture, transmitting, pursuant to law, a section of a report on a study and research of motor-vehicle traffic conditions in the United States, entitled "Skilled Investigation at the Scene of the Accident Needed to Develop Causes," together with recommendations of measures for their improvement (H. Doc. No. 462, pt. 5); to the Committee on Roads, and ordered to be printed.

998. A letter from the Postmaster General, transmitting the cost ascertainment report and appendix for the fiscal year 1937; to the Committee on the Post Office and Post Roads.

999. A letter from the Secretary of War, transmitting a draft of a proposed bill to clarify the status of pay and allowances under the provisions of the act of September 3, 1919, which the War Department presents for the consideration of the Congress with a view of its enactment into law; to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. UMSTEAD: Committee on Appropriations. H. R. 8993. A bill making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1939, and for other purposes; without amendment (Rept. No. 1699). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 7513. A bill to provide for the acquisition of certain lands for and the addition thereof to the Tahoe National Forest, in the State of Nevada, and for other purposes; without amendment (Rept. No. 1700). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEMPSEY: Committee on the Public Lands. H. R. 8346. A bill authorizing the sale of certain lands to the regents of the Agriculture College of New Mexico; with amendment (Rept. No. 1701). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEMPSEY: Committee on the Public Lands. S. 2759. An act authorizing the sale of certain lands to the regents of the Agricultural College of New Mexico; without amendment (Rept. No. 1702). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. UMSTEAD: A bill (H. R. 8993) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1939, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. KITCHENS: A bill (H. R. 8994) to provide for a preliminary examination and survey of Smackover Creek and its basin in Union, Ouachita, and Nevada Counties; to determine the feasibility of cleaning out the channel, leveeing the stream, and reservoir control; to give flood prevention, water and soil conservation, and having in mind recreational features of such impounded water as might be justified; serving the demands for fish reserves, wild-fowl refuge as a byproduct of impounded water; to the Committee on Flood Control.

Also, a bill (H. R. 8995) to provide for preliminary examination and survey of Bartholomew Bayou of Ashley and other counties in the State of Arkansas; to determine the feasibility of cleaning out the channel, leveeing same from a connecting point with Ouachita River in the State of Louisiana, and reservoir control; to give flood prevention, water and soil conservation, with due regard to recreational feature of such impounded water as may serve demands for fish reserves, wild-fowl refuge, and other purposes; to the Committee on Flood Control.

By Mr. WARREN: A bill (H. R. 8996) to amend section 8, Public, No. 207, Sixty-eighth Congress, to include certain warrant officers, Army Mine Planter Service, Coast Artillery Corps, United States Army, and for other purposes; to the Committee on Military Affairs.

By Mr. McCORMACK: A bill (H. R. 8997) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," approved June 22, 1936; to the Committee on Flood Control.

By Mr. CANNON of Wisconsin: A bill (H. R. 8998) to amend the act entitled "An act to limit the immigration of aliens into the United States, and for other purposes," approved May 26, 1924, as amended; to the Committee on Immigration and Naturalization.

By Mr. BOEHNE: A bill (H. R. 8999) to amend section 327 of the Liquor Tax Administration Act, approved June 26, 1936, relating to certain tax refunds to brewers, and for other purposes; to the Committee on Ways and Means.

By Mr. KENNEDY of Maryland: A bill (H. R. 9000) authorizing the disbursement of funds appropriated for compensation of help for care of materials, animals, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia; to the Committee on Military Affairs.

By Mr. WARREN: Resolution (H. Res. 404) to authorize the Clerk of the House to employ a laborer; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES: A bill (H. R. 9001) for the relief of the Byfield (Mass.) Snuff Co., Inc; to the Committee on Claims.

By Mr. CARLSON: A bill (H. R. 9002) granting a pension to Ella Manwarren; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 9003) granting an increase of pension to Ida Young; to the Committee on Invalid Pensions.

By Mr. LANHAM: A bill (H. R. 9004) for the relief of the Commercial Standard Insurance Co.; to the Committee on Claims.

By Mr. SCHAEFER of Illinois: A bill (H. R. 9005) for the relief of Thomas W. Wright; to the Committee on Military Affairs.

By Mr. SCOTT: A bill (H. R. 9006) granting a pension to Pauline M. Ridgman; to the Committee on Invalid Pensions.

By Mr. SHAFER of Michigan: A bill (H. R. 9007) granting a pension to Harry M. Snow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9008) for the relief of Lee S. Robbins; to the Committee on Military Affairs.

By Mr. SHANLEY: A bill (H. R. 9009) for the relief of Willard Twitchell; to the Committee on Claims.

By Mr. WALLGREN: A bill (H. R. 9010) for the relief of Allen B. Boyer; to the Committee on Claims.

By Mr. WEST: A bill (H. R. 9011) for the relief of Charles H. LeGay; to the Committee on Military Affairs.

By Mr. HENNINGS: A bill (H. R. 9012) for the relief of Joseph Webbe; to the Committee on Claims.

By Mr. MAHON of Texas: A bill (H. R. 9013) for the relief of W. Connally Baldwin; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3805. By Mr. COFFEE of Washington: Resolution of the membership of Local Union No. 483, International Brotherhood of Electrical Workers Tacoma, Wash., expressing their approval of Government owned and controlled hospitals and demanding that the President and Congress establish a system of Government hospitals, financed, owned, and controlled by the Government, the system to be extended to meet the needs of proper medical care of all the people requiring such care; and objecting to members of various associations interfering in the operation and regulation of our present public- and Government-owned hospitals in an attempt to eliminate the purpose for which they were established and gradually kill these institutions; to the Committee on Military Affairs.

3806. By Mr. FITZPATRICK: Petition of the Private Gabriel Cohn Post, No. 95, Jewish War Veterans of the United States, urging the enactment into law House bill 6704, which is to prevent profiteering in time of war and to equalize the burdens of war and thus provide for the national defense and promote peace; to the Committee on Military Affairs.

3807. By Mr. FULMER: Resolution denouncing the bill in Congress commonly known as the antilynching bill, submitted by James E. Hunter, Jr., clerk of the house of representatives, Columbia, S. C.; to the Committee on the Judiciary.

3808. By Mr. LEAVY: Resolution of the Newport (Pend Oreille County, Wash.) Commercial Club, urging upon Congress to appropriate \$2,000,000 per year for the next 2 years to carry on to completion the fight the Department of Agriculture has been making against the ravages of white-pine blister rust and pointing out that unless this work is carried on the fight on the white-pine forests largely owned by the Federal Government, having an existing lumber value of \$465,000,000, are threatened with complete destruction and that there can be no restocking of new growth; and further urging that sufficient appropriations be made in order that the work may be carried on under the Bureau of Plant Quarantine and Plant Entomology and the Forest Service under such rules and regulations as work is done by these governmental agencies rather than under the restricted rules incident to the Emergency Relief or Works Progress Administrations; to the Committee on Appropriations.

3809. Also, resolution of the Okanogan County Pomona Grange, No. 53, requesting and urging that apples be included in the enactment of any farm legislation and be given consideration as one of our great national crops along with wheat, cotton, corn, tobacco, and rice; to the Committee on Agriculture.

3810. Also, resolution of the Oroville Grange, No. 985, Oroville, Wash., pointing out that all chemical tests made thus far indicate that the vast majority of food products and tonics, even those fed to infants contain doubled the amount of arsenate of lead that is now permitted by arbitrary regulation of the Pure Food and Drug Department in the case of apples; also pointing out that chemical analysis which have been accepted and upheld by the Federal courts based upon evidence submitted by eminent scientists, indicate that a lead tolerance of 0.03 would meet every requirement in the protection of life and health insofar as the apple industry is concerned and that the present tolerance of 0.018 is by reason of the tremendous added overhead, a burden in preparing apples for market, and is unfair, unjust, and discriminatory and it is having the effect of rapidly destroying the apple industry of the Northwest; and further pointing out that such regulation is not only arbitrary and useless but that its effect is so

detrimental to the great fruit industry that immediate relief from this arbitrary and bureaucratic regulation and standard must be granted or the apple industry of the Northwest as an individual industry will cease to exist; to the Committee on Agriculture.

3811. By Mr. QUINN: Resolution of the Straight Forward Lodge, Brackenridge, Pa., favoring Federal antilynching laws; to the Committee on the Judiciary.

3812. Also, resolution of the Straight Forward Lodge, Brackenridge, Pa., urging that the Federal Government abolish the dole of direct relief and substitute a program of work; to the Committee on Appropriations.

3813. Also, resolution of the Straight Forward Lodge, Brackenridge, Pa., protesting against the interpretation of the National Labor Relations Act which has been made by the Labor Board; to the Committee on Labor.

3814. Also, resolution protesting against the action of capital in certain industries; to the Committee on the Judiciary.

3815. By Mr. WOLCOTT: Petition of Capt. Daniel Murphy, of Marine City, Mich., and other duly licensed masters and pilots of the Great Lakes, requesting that the existing Great Lakes rules for the prevention of collisions be retained; and to this end that Senate bill 1273 be amended accordingly; to the Committee on Merchant Marine and Fisheries.

3816. By the SPEAKER: Petition of the Pennsylvania Society of Professional Engineers, Philadelphia, with reference to Hayden-Cartwright Road Act of 1936; to the Committee on Roads.

3817. Also, petition of the American Legion, Kings County, Brooklyn, N. Y., petitioning consideration of their resolution with reference to United States congressional medal for Albert Moritz; to the Committee on Naval Affairs.

3818. Also, petition of the county commissioners' office, Manchester, N. H., with reference to House bill 4199; to the Committee on Ways and Means.

SENATE

TUESDAY, JANUARY 18, 1938

(Legislative day of Wednesday, January 5, 1938)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, January 17, 1938, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 2550. An act to permit the printing of black-and-white illustrations of United States and foreign postage stamps for philatelic purposes; and

S. 2940. An act to make confidential certain information furnished to the Bureau of Foreign and Domestic Commerce, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1547. An act to amend section 42 of the act of Congress entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended;

H. R. 3418. An act to extend the public-land laws of the United States to certain lands, consisting of islands, situated in the Red River in Oklahoma;

H. R. 4732. An act to revise the air-mail laws;

H. R. 6178. An act to abolish appeals in habeas corpus proceedings brought to test the validity of orders of removal;

H. R. 6907. An act to provide for the appointment of one additional circuit judge for the sixth judicial circuit;

H. R. 7259. An act to authorize the conveyance by the United States to the city of Ketchikan, Alaska, of a certain tract of land in the town site of Ketchikan;

H. R. 7553. An act to amend the laws of Alaska imposing taxes for carrying on business and trade;

H. R. 7560. An act to authorize alterations and repairs to certain naval vessels, and for other purposes;

H. R. 7567. An act to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes;

H. R. 7778. An act to amend section 26, title I, chapter 1, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900;

H. R. 7825. An act to authorize the use of certain facilities of national parks and national monuments for elementary-school purposes;

H. R. 7826. An act to make available for national-park purposes certain lands within the boundaries of the proposed Isle Royale National Park, and for other purposes;

H. R. 7827. An act to authorize public-utility districts in the Territory of Alaska to incur bonded indebtedness, and for other purposes;

H. R. 8403. An act to ratify and confirm Act 23 of the Session Laws of Hawaii, 1937, extending the time within which revenue bonds may be issued and delivered under Act 174 of the Session Laws of Hawaii, 1935;

H. R. 8404. An act to authorize the Territory of Hawaii to convey the present Maalaea Airport, on the island of Maui, Territory of Hawaii, to the Hawaiian Commercial & Sugar Co., Ltd., in part payment for 300.71 acres of land at Pulehu-Nui, island of Maui, Territory of Hawaii, to be used as a site for a new airport;

H. R. 8409. An act authorizing the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, N. Dak., and Norman County, Minn., to construct, maintain, and operate a free highway bridge across the Red River of the North, between Caledonia, N. Dak., and Shelly, Minn.; and

H. R. 8623. An act authorizing the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, N. Dak., and Polk County, Minn., to construct, maintain, and operate a free highway bridge across the Red River of the North westerly of Nielsville, Minn.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Hitchcock	O'Mahoney
Andrews	Connally	Holt	Overton
Ashurst	Copeland	Johnson, Calif.	Pepper
Austin	Davis	King	Pittman
Bailey	Dieterich	La Follette	Pope
Bankhead	Donahay	Lewis	Reynolds
Barkley	Ellender	Lodge	Russell
Berry	Frazier	Logan	Schwartz
Bilbo	George	Lundeen	Schwellenbach
Bone	Gibson	McAdoo	Sheppard
Borah	Gillette	McCarran	Shipstead
Bridges	Glass	McGill	Smith
Brown, Mich.	Guffey	McKellar	Stetson
Brown, N. H.	Hale	McNary	Thomas, Okla.
Bulkeley	Harrison	Maloney	Thomas, Utah
Bulow	Hatch	Minton	Tydings
Capper	Hayden	Neely	Vandenberg
Caraway	Herring	Norris	Van Nuys
Chavez	Hill	Nye	Walsh

Mr. MINTON. I announce that the Senator from Rhode Island [Mr. GREEN] and the Senator from Delaware [Mr. HUGHES] are absent from the Senate because of illness.